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NEWS SUMMARY

GENERAL

Neave murder suspects pledge
A Scotland Yard chief told the inquest into the death of Airey Neave that it was anti-terrorist arrangements...

Howe warns on EEC budget
Britain's net payments to the EEC budget are likely to rise by 50 per cent in the next three years...

Ecevit 'to resign'
Balent Ecevit, Turkey's Social Democratic Premier, is expected to resign shortly following his unexpected defeat in Sunday's by-elections...

Assassination bid
A gunman tried to assassinate Maltese Premier Dom Mintoff at his offices in Valletta...

Cornfeld acquittal
Bernard Cornfeld, who created Investors Overseas Services, which crashed in 1970, was acquitted by the Assize Court in Geneva...

Dissident arrested
East German police have placed leading political critic Professor Robert Havemann and his wife under house arrest...

Sponsorship move
BL subsidiary Land Rover defended its decision to sponsor Captain Mark Phillips in three-day eventing at a cost of £80,000 over three years...

Computer training
Some British athletes may be able to train by computer for the 1980 Olympics...

Briefly...
Bodies of two potholers, one a policeman, were recovered from Cotterill Pot, Littondale, North Yorkshire...

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Lord Peart, former Labour Lord Privy Seal and Leader of both Houses of Parliament, is the new president of the British Karate Board.

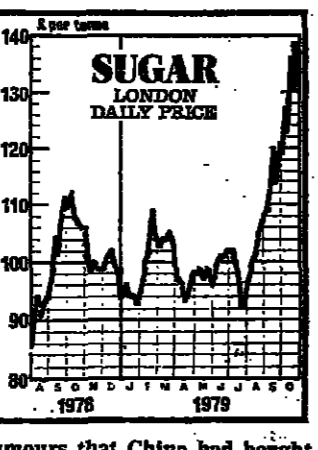
CHIEF PRICE CHANGES YESTERDAY

Table with columns: RISES, FALLS, and various commodity prices like Wheat, Sugar, and Oil.

Hopes fade for all-party pact on Rhodesia

BY BRIDGET BLOOM AND MICHAEL HOLMAN

Hopes that an all party agreement on Rhodesia can be negotiated at Lancaster House, London, receded last night after Britain and the Patriotic Front failed—apparently finally—to agree on a new draft constitution for an independent Zimbabwe.



Output flat as economy nears turning point

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

The British economy is near a turning point and the start of the recession may not be far away. Central Statistical Office figures published yesterday suggest that the underlying trend of industrial output is flat after the strong growth of the early summer...

INDUSTRIAL PRODUCTION 1975=100, seasonally adjusted. Table with columns: All Industries, Manufacturing, and monthly data from 1978 1st to 1979 1st.

Lloyds bank charges up 40%

BY MICHAEL LAFFERTY, BANKING CORRESPONDENT

LLOYDS BANK yesterday announced a 40 per cent increase in personal bank charges. The move, a response to recent increases in staff and overhead costs, is likely to be followed soon by other clearing banks.

BANK CHARGES COMPARED. Table with columns: Charge per Debit Entry, Notional Interest Allowed Rate, and Minimum Balance for Free Banking.

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Banks may quit Fed says Volcker

By David Lascelles in New York

BANKS controlling about 10 per cent of deposits in the Federal Reserve System have indicated they will pull out of the Fed unless the controversial membership issue is resolved soon...

Libyan price rises break OPEC limit

BY RICHARD JOHNS, MIDDLE EAST EDITOR

LIBYA HAS raised its oil prices by nearly 12 per cent, breaking the maximum set by the Organisation of Petroleum Exporting Countries for the second half of the year...

Railmen plan 24-hour strike over Paddington

BY PHILIP BASSETT

ALL BRITISH Rail services in and out of London main-line stations are likely to be halted for 24 hours from tomorrow afternoon following the National Union of Railwaymen's refusal to go to arbitration...

Here's a cheque-book that saves you money. Advertisement for Richard Ellis Chartered Surveyors, featuring an image of a cheque book and contact information.

EUROPEAN NEWS

East Berlin and Prague crack down on dissent

By Our Berlin Correspondent

CZECHOSLOVAKIA and East Germany are working closely together in a joint crackdown that has begun on all forms of political dissidence in their countries.

The Prague regime is going ahead with preparations for trials later this month of ten leading human rights activists who were arrested in May and charged with subversion.

The Czechoslovak trials are expected to be held in two stages in Prague with the well-known playwright Vaclav Havel to be tried together with five other dissidents including two spokesmen for the Charter 77 human rights movement that was launched in January 1977.

Their conviction for subversion could lead to prison sentences of up to 10 years.

Indictments are also being prepared for the trial of four others on less serious charges which would permit the court to give some of them suspended sentences.

The Prague trials are to be held despite criticism in both West and East over the treatment of the dissidents. President Jimmy Carter voiced his concern as did Britain's Prime Minister, Mrs. Margaret Thatcher, who said her Government is closely following the case.

A hunger strike has taken place in Warsaw in solidarity with the arrested Czechoslovaks. The East German and Czechoslovak Communist media are co-ordinating closely with the crackdawns by reprinting each other's anti-dissent commentaries.

The East German Government has also stripped many of its critics of their citizenship.

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Brezhnev initiative sparks detente attempt between the two Germans. Anthony Robinson reports.

Civil rights issue clouds chances of rapprochement

THE STATE of inter-German relations has always been intimately related to the state of East-West relations in general. Last weekend's exchange of messages between Herr Helmut Schmidt, the West German Chancellor, and Herr Erich Honecker, the East German state and party leader, indicates that the prospect of a new phase in East-West negotiations opened up by Mr. Leonid Brezhnev's Berlin "peace offensive" will be matched by a new effort to improve relations between East and West Germany.

In fact well before Mr. Brezhnev's speech, and Mr. Honecker's own statement of willingness to discuss inter-German affairs, West Germany was already showing its desire for closer relations with its East European neighbours through a series of visits by the Chancellor to Poland, Hungary and Bulgaria. This reflects the view in Bonn that East-West relations are far more than an affair between super-powers. It also partly explains West German irritation at the way that is seen as U.S. domestic politics are complicating the SALT ratification process.

The Soviet leadership is obviously well aware of this sentiment. Mr. Brezhnev went out of his way in his East Berlin speech to underline that the Soviet Union is prepared to start negotiations on SALT 3, in which Europe will be intimately involved, immediately after SALT 2 ratification. But, as the Chancellor's journeying through Eastern Europe indicates, West Germany is determined that relations between the two halves of Europe should also be strengthened by more intensive trade, financial, political and cultural ties. The exchange of messages between the two leaders shows that improved relations between East and West Germany are an essential part of this strategy.



Herr Erich Honecker (far right), the East German President and party chief, who has been playing host to Mr. Leonid Brezhnev, the Soviet President, and other Communist leaders, has responded positively to the initiative by Chancellor Helmut Schmidt (left) to improve relations between West Germany and its eastern neighbour.



Draconian laws introduced on August 1 to restrict East Germans' freedom of speech led to a noticeable chill which the amnesty announced just prior to the anniversary celebrations has done little to improve.

Indeed the massive display of military might and the overwhelming display of police and security forces during the anniversary served to illustrate the degree to which East Germany remains a highly authoritarian country with a deep sense of insecurity.

The East German regime is not in the mood to make significant concessions either to its own citizens or West Germany as the price of a genuine relaxation in tensions between them. The military and security forces clearly play a major role. This was underlined prior to the anniversary when Herr Honecker presented Gen. Heinz Hoffmann, the Defence Minister, Gen. Erich Mielke, the Security Chief and Gen. Friedrich Dickel, the police chief, with East Germany's top military award, the Scharnhorst Medal.

But the legacy of hard times and the widespread feeling that the 1980s are going to be tough in the face of deteriorating terms of trade ensure that a real rapprochement between the two Germanies is still a long way off.

In spite of the elevation of Karl Marx, Rosa Luxemburg, Friedrich Engels and Karl Liebknecht to the status of national heroes, and the resurrection of the ghosts of Scharnhorst and Gneisenau, the East German regime still suspects that the real aspirations of its citizens lie in the kind of consumer society whose images are beamed over the border by West German TV.

There is not much mileage in closer German relations while this situation lasts.

Herr Schmidt, Herr Honecker acknowledged this in his speech to the East German Parliament during the celebrations marking East Germany's 30th anniversary. "We take careful note of all steps taken by the Federal Republic of Germany which serve the further normalisation of relations between the two German states as well as arms limitations and disarmament. Many issues facing us now and in future hinge on this further normalisation," he said.

Prof. Havemann arrested again

BY LESLIE COLTIT IN BERLIN

EAST GERMANY'S most prominent political critic, Professor Robert Havemann, has been placed under house arrest, together with his wife, only five months after a two-and-a-half-year-long confinement to his home outside East Berlin was lifted by the authorities.

Cars containing plainclothes security officers surrounded his home in Gruenheide, and Professor Havemann was prevented by

them from calling his lawyer from a nearby public telephone. His own telephone has been cut off for more than two years.

Earlier this month, Professor Havemann issued 10 theses on East Germany's anniversary which were published by a Spanish Communist newspaper.

They called for freedom of expression, an end to censorship, an independent press and freedom to travel to the

West for East Germans other than pensioners. On Sunday evening, the security police prevented Professor Havemann from leaving his home to meet Herr Rudolf Bahro, a former Marxist economist who was released from prison on Thursday, at the start of East Germany's general amnesty.

Herr Bahro is under heavy police guard in an undisclosed flat in East Berlin

more important than the related, but inevitably less significant, question of the relationship between East and West Germany.

Indeed the kind of improved relations which are likely to be the subject of negotiations between the two German states are expected to be strictly limited. They will include the construction of a new motorway between West Berlin and Hamburg, improvements in canal communications to West Berlin and between East and West Berlin itself.

(By reopening the Teltow Canal which was closed when the Berlin wall went up in 1961.)

Increased energy to-operation will also be an important subject for discussion as West Germany would like to link up West Berlin with the West German gas and electricity grid.

New Swiss interest rates for third time in month

BY JOHN WICKS IN ZURICH

THE BIG Swiss banks have announced an immediate increase in their interest rates on deposits. Interest on 3-5 month deposits will rise from 1.25 per cent to 1.75 per cent, on 6-11 month deposits from 1.75 per cent to 2.25 per cent, and the rate for one year deposits by only 0.25 percentage points to 2.5 per cent.

This is the third time the banks have changed their interest rates within the past month.

Unemployment, by contrast, is falling. It declined by 5.1 per cent last month to a total of 7.704. For the first time since February, the figure was also below the corresponding 1978 level.

The number without work in Switzerland continues to equal only 8.3 per cent of the labour force, and is well below the 9.738 per cent registered at the end of September.

Reuter adds from Bern: Switzerland's trade deficit fell to SwFr 445.1m (\$128m) from a slightly revised SwFr 630.1m (\$196m) in August. In September last year there was a surplus of SwFr 103.6m (\$29.8m).

Imports in September rose to SwFr 4.06bn (£1.17bn) from SwFr 3.86bn in August and SwFr 3.41bn in September last year, while exports increased to SwFr 3.64bn from SwFr 3.18bn and SwFr 3.53bn respectively, a spokesman said.

Belgian coalition backed

BRUSSELS — The French-speaking wing of Belgium's Socialist party has voted by a large majority to continue its participation in the six-party coalition government.

At a special congress over the weekend, called because of anger in the party over proposed cuts in social security

spending for the 1980 budget, a motion to continue participation was approved.

The motion expressed support for Socialist ministers in the coalition but also called for campaigns for Socialist policies and solutions "beyond the party's participation in the government" to continue.

A new Defence Minister has been named—Mr. Jose Desmets. He succeeds Mr. Paul Vanden Boeynants, who resigned after being elected president of the Social Christian party. Reuter

Poland's rulers taken to task

By Christopher Bobinski in Warsaw

AN UNOFFICIAL report just published here says Poland's present problems are due to the ruling Communist party's political methods and the way that authority is wielded in general.

This is despite the many correct decisions which were taken by the leadership in the early 1970s.

The report is based on answers to a wide-ranging questionnaire sent out to members of the "Experience and Future" private study group which is made up of experts in many fields. They include sociologists, journalists, historians and writers representing a wide spectrum of political views.

The 76-page report issued by Nowa, an unofficial publisher, states that given the complex nature of modern industrial society the system in force in the country was simply inadequate and inefficient. It warns against the twin dangers of "blind revolt" and growing apathy.

The questionnaire was launched after the authorities declined to facilitate further meetings of the 100-or-so-strong study group, many of whom are party members, after the first gathering devoted to social politics was held last November.

The basic aim of the group is to fill the middle ground between outright dissent and resigned conformism. It wants to provide an independent appraisal of Poland's situation and to propose realistic reforms.

Despite the bleak picture drawn by the authors of the report, they stress that the "reform of the political system must not, as a consequence, disturb the balance of power in Europe and must take into account external considerations."

This oblique reference to the fate of the Czech reformers a decade ago and to the Warsaw Pact's political preferences, prefaces the reminder that "it is in the interest of the Soviet Union to have in Poland an authentic and efficient ally."

The reform proposals accept the continued domination of political life by the Communist party. But it argues for a limitation of power in the decision-making by the population, and for greater attention to national culture and traditions.

The report also urges respect for the law and prompts the decision-makers to pay greater heed to Socialist values, such as equality of opportunity and equal rights to social care.

There has been a hesitant reaction to the report since it was sent to the authorities in June. A summons for the three members of the editorial panel—who are party members—to appear before a party control commission suggests initial displeasure but the case seems to have lapsed over the summer.

The leadership is possibly wary of antagonising the study group, many of whose members are authorities in their respective fields, nor is it likely to want to stir up a heated debate on issues the report raises by taking steps against the authors.

There are indications, too, that Poland's rulers, faced by a congress early next year, are perplexed as to how to solve the country's problems. Reuter

Advertisement for Gwent featuring a map of the region and text: 'WANT TO STRIKE IT RICH? JOIN THE GWENT RUSH OF '79...'

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Giving the world a sense of security

Advertisement for Group 4 Securitas featuring a large logo and text: 'The best security is backed by experience and training. There's no substitute. No easy answers.'

Advertisement for Laker Skytrain featuring a table of fares and text: 'NEW YORK SAVE £61\* REAL ECONOMY IS RESERVASEAT'

Handwritten note in Arabic script: 'مکان الیوم'

EUROPEAN NEWS

Rotterdam tugs back to work as strike ends

BY CHARLES BATCHELOR IN AMSTERDAM
MORE THAN 500 tugboat men in the port of Rotterdam have returned to work, ending an unofficial strike which lasted nearly eight weeks.

Bid to halt work on Dutch uranium plant

BY OUR AMSTERDAM CORRESPONDENT
DEMONSTRATORS BLOCKED the entrances to the Urenco uranium enrichment plant at Almelo in the Netherlands yesterday in an attempt to halt construction work on an extension.

New Iceland government

BY JON MAGNUSON IN REYKJAVIK
ICELAND'S new interim Social Democrat Government took office yesterday, ending a 10-day political crisis.



Sharing the physics prize: Prof. Sheldon Glashow (left), Prof. Steven Weinberg (centre) and Prof. Abdus Salam.

Nobel physics prize for Pakistani

BY JOHN WALKER IN STOCKHOLM
THE FIRST Nobel Prize ever awarded to a Pakistani scientist has been won by Professor Abdus Salam, of Imperial College, London.

Turkish polls show big swing to right

BY METIN MUNIR IN ANKARA
SUNDAY'S TURKISH by-elections have seen a significant shift to the right. The Republican People's Party (RPP) of Prime Minister Bulent Ecevit has suffered a severe defeat.

In the Senate vote, the Justice party won 33 seats for a net gain of 13, making it the biggest party there, and putting the combined right wing well into control.

Union protest at Spanish economic plan

BY DAVID GARDNER IN MADRID
SPAIN'S LARGEST trade union, the predominantly Communist Workers Commissions, held a national protest rally here in reply to the Government's economic programme.

Red-carpet reception for Hua

BY DAVID WHITE IN PARIS

HUA GUOFENG, the Chinese Communist Party chairman and Prime Minister, held the first of a series of private meetings with President Giscard d'Estaing here yesterday, after being given a red-carpet reception.

Hua, Foreign Minister, and Yu Qiuli, Minister in Charge of Planning. In his welcoming speech, President Giscard said France was ready to offer its experience and technology to help in China's modernisation.



Smiles all round as Hua and Giscard meet.

The French Press yesterday hailed Chairman Hua's arrival as the beginning of a new entente. But the Left-wing newspaper Liberation published a special section largely devoted to the treatment of dissidents in China.

France may face nationwide strike action

BY TERRY DODSWORTH IN PARIS

THE STRENGTH of anti-Government feeling among rank-and-file trade unionists in France should become clearer this week during a series of disputes planned to affect several of the country's leading industries.

the past few weeks with M. Raymond Barre, the Prime Minister, union leaders are still keen to press ahead with selective action.

Under the terms of their agreement, these disputes will be followed by further talks at the end of this month to decide whether there is support for concerted national action.

the Government has been slow to act on its promises. The main public services to be affected this week will be the railways and the electricity generating board (EDF).

Fiat and unions 'still divided'

BY PAUL BETTS IN ROME

FIAT'S CHAIRMAN, Sir Giovanni Agnelli, and leaders of Italy's three main labour confederations, held talks yesterday in an attempt to diffuse the growing controversy over the Turin car group's decision to lay off 61 workers and temporarily stop recruitment at Fiat plants.

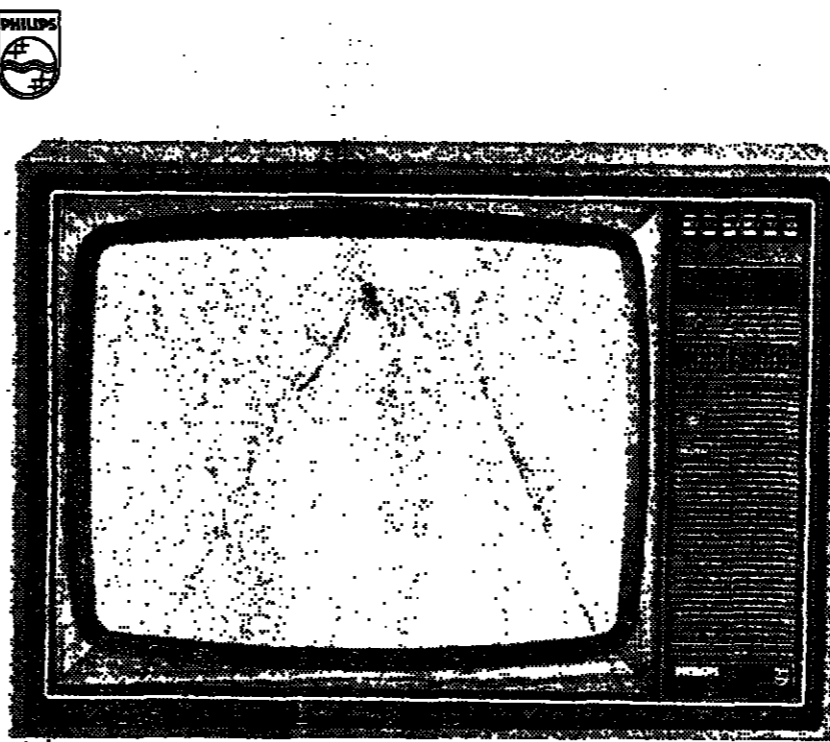
In a brief statement, the unions and Fiat management indicated that the two parties were still divided.

The unions are demanding that Fiat should supply concrete evidence to back up its decision to sack the 61 workers. The company claims they have been involved in acts of aggression and intimidation. The union also want Fiat to lift its temporary ban on recruitment.

Plat's decision has become a major test case in Italy's already tense industrial relations.

The Fiat decision arose from what the company claims is a growing state of anarchy in its main Turin plants. The move has caught the unions off balance, since the official labour movement has repeatedly condemned violence but has been increasingly undermined by militants.

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OVERSEAS NEWS

AMERICAN NEWS

Ohira leadership opposed

BY CHARLES SMITH, FAR EAST EDITOR, IN TOKYO

MR TAKEKO MIKI, a former prime minister and one of the major Liberal Democratic Party faction leaders, made it clear yesterday that he thought Prime Minister Masayoshi Ohira should step down following the party's near defeat in last week's general election.

to resign after the Liberal Democratic Party did badly in the 1978 election. He apparently feels that Mr. Ohira should pay the same price for last week's unexpected poor result (which gave the LDP 245 lower house seats, later raised to 258 after the admission to the Party of pro-LDP independents).

former premier Takeo Fukuda, on Wednesday. The three "anti-mainstream" factions together contain about 118 Liberal Democratic Party members of the Lower House but another group, that led by Mr. Ichiro Nakagawa, is vociferously hostile to the prime minister and has already demanded his resignation.

of ex-prime minister Kakuei Tanaka (with 48 members). Another 30 or so members of the parliamentary Liberal Democratic Party belong to small uncommitted factions, or to no factions at all. This section of the party constitutes a "floating vote" in the event of a showdown between the Prime Minister and his rivals.

OPEC aid offsets oil bills of poor nations

By Leslie de Quillaci in Kuwait OPEC AID to developing countries "more than compensated" those countries for the increase in their net oil imports bills from 1974 through 1978, according to a recently released report of the Economics Department of the Organisation of Arab Petroleum Exporting Countries (OPEC).

The report makes the point that this aid came largely from the Arab members of the Organisation of the Petroleum Exporting Countries. A key word in the report is "net," since it calculates that of the 1,050bn tons of crude oil and products that the developing countries imported from 1974-78, 53.7 per cent were re-exported, thus reaping benefits for the developing countries "in terms of fees or new oil and product prices."

Inflation could be lowered quickly, Volcker claims

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

MR. PAUL VOLCKER, the chairman of the Federal Reserve Board, predicted yesterday that the new austere monetary regime could lower inflation "quite quickly." He emphasised in testimony to the Senate Banking Committee that it was imperative that energy costs be stabilised, and that there be no renewed surge in wage demands. But tight money and credit, allied to fiscal restraint, would allow to give grounds for "reasonable optimism about prices."



Mr. Paul Volcker

Nonetheless, Mr. Volcker agreed that there were "obvious prospects" for an economic slowdown, particularly in the light of what he described as "significant inventory adjustments" in store.

On Friday, the Government reported that inventories had grown in August by 0.3 per cent, compared with the previous month. In July, they had risen by 1.9 per cent, prompting many economists to believe that companies would sooner or later have to reduce stocks and scale back factory orders.

However, there has also been further evidence of surprisingly strong retail sales, which in September went up by 2.2 per cent. This may mean that the economy is better equipped to take the Fed's new austerity than had been thought - although it must also be noted that the sales figure in September was distorted by the discounts being offered by the car companies and by the higher prices charged by retail petrol concerns.

Tokyo 'considers moves to aid yen'

BY RICHARD C. HANSON IN TOKYO

JAPAN'S authorities are believed to be considering steps to relieve mounting pressure on the yen. However, political uncertainties in the wake of last week's general election appear to be making substantive actions difficult.

of \$1.245bn in the spot market with importers leading the heavy dollar buying spree. It is expected that the dollar will be in short supply for at least the next three months as Japan's current account deficits continue to widen.

Mr. Masayoshi Ohira, the Prime Minister, may have difficulty forming a new cabinet, or even remaining party leader as rivals within the party jockey to dislodge him from power.

might help to lure back hot money currently deposited in the Eurodollar market. Controls may also be considered on the interest rates Japanese and foreign banks in Tokyo can pay on dollar deposits held in Japan, pegging them at the much lower fixed rates allowed for yen term deposits (the six-month yen deposit rate is now 5.25 per cent compared with double digit rates on dollar deposits).

Sudan seeks \$100m for refugee aid

By James Buxton

SUDAN IS to launch an international appeal for \$80m to \$100m to enable it to cope with the 400,000 or more refugees from neighbouring African states now in the country. The latest arrivals are about 60,000 Ugandans who fled when the Idi Amin regime collapsed in May this year.

Israelis seize West Bank land

BY DAVID LENNON IN TEL AVIV

ISRAELI SETTLERS seized 40 hill tops in the occupied West Bank yesterday in an attempt to force the Government to build more Jewish settlements. The settlers declared that they had established 40 outposts which the Government should convert into settlements. In some places they put up huts or tents, while in others a few settlers just sat on the hills with Israeli flags.

and multiply" demonstration "to show the Government how to oppose the creation of a Palestinian state," according to a movement spokesman. The demonstration was organised to protest the cabinet's compromise decision on Sunday to allocate just over 1,000 acres to expand six of the Jewish settlements on the West Bank. The Gush Emunim had demanded that the Government appropriate 50,000 acres for Jewish settlements.

surprising of all was a denunciation of Mr. Sharon by Mr. Meir Amit, a former minister in the Begin government. Mr. Amit, former head of Israel's intelligence service, accused Mr. Sharon of demagoguery and criticised the settlement operations on the West Bank as counter-productive. Mr. Mordechai Zippori, the Deputy Defence Minister, announced in the morning that the army had been ordered to clear the settlers off the hills.

Oxfam appeal to aid Kampuchea

BY DAVID DODWELL

MR. BRIAN WALKER, director of Oxfam, yesterday launched an appeal for \$25m aid in food and medical provisions for the starving people of Kampuchea. Oxfam plans to mount a five-month financial fundraising drive to Kampuchea 67,000 tons of staple foods and 600 tons of seed.

Conditions inside Kampuchea were described by Mr. Walker as "bleak and miserable." He said the whole population - estimated at 3.4m - will be highly vulnerable to malnutrition and disease until next August, even if large quantities of aid start moving immediately. He spoke of widespread evidence of the "unbelievably bestial rule" of Pol Pot.

Mr. Ros Samay, Minister of the Economy and Reconstruction, nevertheless told Mr. Walker: "I give you my solemn promise that all of your aid will be given to the people and will not be given to feed our own military or the Vietnamese."

Mr. Rowling and others, including trade union leaders, have been quick to point out that oil prices rise 3 per cent in the third quarter of the year, the biggest jump since 1947. The rise brings the increase for the year to September to 15.2 per cent. Already, Mr. Wallace Rowling, Labour Party leader, has called on the Government to resign, claiming that the record inflation rate for the quarter is due to Government mishandling of the economy.

Chinese 'raid village'

Chinese troops intruded into Vietnam's northern border provinces earlier this month, causing serious loss of life and property. Radio Hanoi said yesterday, Reuters reports from Bangkok. Soldiers and militiamen had looted a village in the border province of Cao Bang on October 6, it added.

New Zealand prices rise

BY DAI HAYWARD IN WELLINGTON

NEW ZEALAND'S inflation, according to the consumer price index, rose 3 per cent in the third quarter of the year, the biggest jump since 1947. The rise brings the increase for the year to September to 15.2 per cent. Already, Mr. Wallace Rowling, Labour Party leader, has called on the Government to resign, claiming that the record inflation rate for the quarter is due to Government mishandling of the economy.

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Black leader attacks PLO links

BY OUR U.S. EDITOR

A PROMINENT American black civil rights leader warned yesterday that the traditionally close relationship between blacks and Jews over domestic politics could be jeopardised by an attempt to come to terms with the Palestine Liberation Organisation (PLO). Mr. Vernon Jordan, head of the Urban League, told a Catholic conference in Kansas City: "Black-Jewish relations should not be endangered by ill-considered flirtations with terrorist groups devoted to the extermination of Israel."

Congress bid to help Chrysler

BY IAN HARGREAVES IN NEW YORK

AN ATTEMPT will be made in Congress this week to speed up the progress of Chrysler's efforts to obtain around \$1bn of government aid. Congressman James Blanchard is to introduce a Bill which would set up a special Chrysler committee, headed by the Secretary of the Treasury, Labour and Transportation. The committee would have wide powers to make grants or federal-backed loans to the ailing corporation.

about black America's aspirations for equality," he went on. "We've got to recognise that our agenda demands construction of powerful alliances." Mr. Jordan's concern, echoing that expressed last week by another moderate black leader, Mr. Benjamin Hooks, director of the National Association for the Advancement of Coloured People, points up what appears to be a sharp division of opinion among the black hierarchy over any understanding with the Palestine Liberation Organisation. The Rev. Jesse Jackson, the charismatic Chicago clergyman, recently made a well-publicised visit to the Middle East, during which he had warm exchanges with Mr. Yasser Arafat, the Palestinian leader, and a comradely abrupt snub from the Israeli Government.

The budding entente with the Palestinians was clearly brought on by Mr. Andrew Young's resignation as ambassador to the United Nations, after he had unauthorised contact with Palestinian representatives in New York. Many blacks automatically interpreted his departure as having been engineered by the Israeli Government.

U.S. fears dependence on Africa for minerals

BY PAUL CHEESRIGHT

THE U.S. is passing through one of its periodic phases of introspective concern about dependence on overseas sources for a wide variety of mineral products. Such phases tend to occur after a time of supply difficulties and then fade away on the assumption that free market forces will naturally sort out any lasting problems. Thus the Korean War threw up the President's Materials Policy Commission and the 1973-74 commodity price boom led to the National Commission on Supplies and Shortages. At present the "availability of foreign minerals to the U.S. and its allies" is being considered as part of President Carter's Non-Fuel Minerals Policy Review.

US Reliance on Imported Minerals & Metals

and that no U.S. Government had yet felt so vulnerable as to promote diversification actively. The single most important materials supplier to the U.S. is Canada, effectively neutralising concern about a domestic shortage of nickel, asbestos, cadmium and tungsten supplies. Major suppliers after Canada are South Africa, Australia, Mexico and Brazil. Papers published in connection with the Non-Fuel Minerals Review indicate that there is little dispute about an interruption of supplies from these sources with the exception of South Africa. Concern arises where international reserves of key minerals are concentrated in southern and central Africa. U.S. worries and those of Japan and Western Europe, focus on chromium, manganese, cobalt and platinum group metals. All these metals have high technology applications, often as important alloying elements. South Africa is the main U.S. supplier of chromium and platinum, and meets a large portion of the U.S. manganese and ferromanganese demands. The main alternative source for chromium and platinum is the Soviet Union. The bulk of the U.S. cobalt comes from Zaire and Zambia, both countries whose mining industries are facing difficulties. Although substitutes exist for chromium, cobalt and platinum in some of their applications, this is not the case for the major uses of manganese. The U.S. stockpile, used only for national security purposes, is short of some varieties of chromium and manganese, is beneath its inventory goal for platinum and is faced with problems of having to build up cobalt stocks after what is now seen as a rash sell-off earlier in the decade. There is no immediate antidepletion available for any breach in supplies caused by unrest in southern and central Africa, although the longer-term needs of the U.S. could be served by a wider exploration effort abroad and by changing economic circumstances at home. The Bureau of Mines, for example, thinks that domestic cobalt mining could be a possibility if higher prices continue. There is an investigation of a platinum deposit in Montana and the sea-bed offers alternative manganese supplies. For other minerals when U.S. import dependence is great or growing, like bauxite - the feedstock for aluminium - and copper, one of the most widely used industrial minerals, sources are sufficiently diverse to make serious supply problems unlikely. The problem comes with the price which has to be paid for them. Hitherto, U.S. governments have been largely content to allow the mining industry to go its own way without the support afforded to companies by governments in, for example, Japan, West Germany and France. U.S. companies receive protection against outright expropriation from the Overseas Private Investment Corporation, which this year is extending its coverage.

Table with 3 columns: Minerals & Metals, Imports as a Percentage of Consumption (1978), Major Foreign Sources (1974-77). Lists various minerals like Aluminum, Asbestos, Cadmium, etc. and their sources like Canada, South Africa, Australia, etc.

SALT defeat 'threat to NATO'

BY DAVID BUCHAN IN WASHINGTON

MR. HAROLD BROWN, U.S. Defence Secretary, yesterday warned that the NATO alliance could fall if the Senate did not approve the SALT II treaty, as the Senate Foreign Relations Committee began its final deliberations on the arms pact. Mr. Brown also said in a television interview yesterday that the western alliance could "unravel" if it did not modernise its medium-range nuclear missiles. Putting this off might leave NATO open to "political intimidation" by the Russians. The Carter Administration has echoed warnings by European leaders like Chancellor Helmut Schmidt that Senate approval of SALT II was a precondition for NATO deploying new medium-range nuclear missiles in western Europe.

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# WHAT CAN A BANK DO TO HELP BRITISH EXPORTERS?



According to the latest Industrial Trends Survey from the CBI, the current outlook for British exporters is as gloomy as the British weather.

Manufacturing costs are rising fast.

A strong pound is making British goods dearer abroad, with the result that the bulging order books of a couple of years ago are starting to look ominously thin.

And where manufacturers do have export orders, finance is proving prohibitively expensive, thanks to the present high interest rates.

How can we at Barclays help?

Well, we can't trump up an instant panacea. But we can suggest one or two ways to make life easier for a company that's exporting in today's difficult climate.

For example if you have an export order that's backed by the Export Credit Guarantee Department, we'll charge less for a loan to finance it than in normal circumstances.

We're able to do this because an Export Credit Guarantee is backed by the Government. This means that once the goods are delivered, you'll get paid come Hell, high water, dock strike, riot or coup.

And as we're taking less of a risk, we need charge less interest.

How much less?

That naturally depends on how much you borrow and for how long. But in most cases, we'll be able to offer you a loan at favourable rates.

Not to be sniffed at when you're pinching every penny, trying to meet a price against stiff foreign competition.

We can also save you money by working out in which currency you ought to carry out your transaction.

If you were exporting to Italy, for instance, we could help you choose between sterling and the lira, or a third currency such as the dollar.

Because of fluctuations in the foreign exchange market, selecting the wrong currency could well lose you a fortune.

Sometimes, however, dealing in an unstable currency is unavoidable. In which case, we may advise you to sell 'forward' at a fixed rate.

To safeguard you further, we may also suggest the best way for you to be paid.

Usually, this will be by way of a Documentary Letter of Credit.

A foolproof method of payment which cannot be altered by either you or your customer, or anyone else, without the agreement of everyone concerned.

And we can help you with advice on subjects as diverse as insurance, documentation for customs clearance, local import tariffs and regulations.

In all these cases, though, the sooner you get us involved, the more we'll be able to help you.

After all, there are 1700 branches of Barclays Bank International, spread over 75 countries.

Every one of these branches is constantly feeding us with information that would be hard to come by any other way.

Information that is crying out to be used by British exporters.

Get in touch with your nearest Barclays Bank manager.

Exporting will always take determination, imagination and hard work.

But if there's any way we can help, we will.

**BARCLAYS**



# Airlines offer Paris return fare at £43

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH AIRWAYS and Air France will jointly offer from October 28 a cheap air fare between London and Paris of £43 return, £4 cheaper than the lowest scheduled fare now available.

The new fare will also have virtually no conditions attached to it.

No advanced booking will be required, and passengers will be able to stay at their destinations for a minimum of two nights or up to three months. At weekends, day trips, or a one-night stay, will be allowed.

The fare will be available on up to 26 flights a week, or 13 by each airline, equivalent to 1,000 seats a day.

Wide-bodied aircraft will be used—TriStars by British Airways and Airbus by Air France—exclusively from next April, although in the interim it is expected that some narrow-bodied Trident and Caravelles will be used also.

Both British Airways and Air France see the new fare as a major weapon against the bids by the UK independent airlines to introduce cut-rate fares to the Continent from Gatwick, including cheap rates to Paris.

These bids by the independent airlines are to be considered by the Civil Aviation Authority in the UK at a series of public hearings starting on October 24 and lasting until late November. The authority will then have to study the evidence, and is not expected to announce decisions until next spring or early summer.

The two flag airlines, therefore are betting in with their own cut-price fare well ahead of any cheap fares the independent airlines may be allowed to offer.

Mr. Roy Watts, chief executive of British Airways, and M. Pierre Giraudet, chairman of Air France, said yesterday: "The new low fares this winter continue our common policy, introduced this year, of offering cheaper fares, more seats and improved flight times for passengers."

Mr. Anglia, a member of the British and Commonwealth Shipping Group, can press ahead with its scheduled service between Stansted, Essex, and Brussels.

A bid by British Airways to have Air Anglia's licence for the route cancelled has been rejected by Mr. John Nott, Trade Secretary.

British Airways had claimed that the service would affect its own traffic to Brussels out of Heathrow. But after studying British Airways' claim, and Air Anglia's counter-submission, Mr. Nott has ruled that the service improves the facilities to the public from an airport not at present well served by scheduled flights to Continental destinations.

# Container company ownership switched

BY DAVID FREUD

OWNERSHIP of the troubled container leasing investment company Edward G. L. Carter and Co. has been transferred to the tax consultant who advised in the setting up of the company in the first place.

Mr. David Gibson, of Gibson and Co., said yesterday that all the share capital was transferred to him on Friday, for nothing.

Investors with Edward G. L. Carter have not been paid for six months and Mr. Carter is believed to be abroad. The company's problems represent the first major financial crisis of the booming UK container leasing industry.

Mr. Gibson said it seemed that there had been no contact between Edward G. L. Carter and Co. and the investors for several months.

"There is certainly a hell of a mess here," he said.

However, the company had substantial assets and he could not yet be sure whether it would need to be put into liquidation.

"In the meantime, I am trying to realise some of the assets and deal with clients outstanding. There is a tremendous backlog of correspondence. I would have thought it should be possible to make the June payments in a couple of weeks."

Among the assets of the company were "land and buildings, several cars, including a Rolls-Royce, a major holding in a public company and another in a private building and property development concern."

# Row over omission from Exchange list

BY CHRISTINE MOIR

HAVARD SECURITIES, a firm of licensed dealers, is to meet its legal advisers later this week to discuss whether it can refer to the Stock Exchange to the Office of Fair Trading for an alleged abuse of its monopoly.

The issue arises out of the Stock Exchange's rules governing brokers' commissions. These state that brokers must charge full commission to competitors, such as licensed dealers, unless they apply to be placed on a special list of approved dealers to whom discounts can be given.

Mr. Tom Wilnot, managing director of Havard, claims that the list has not been maintained for some time as applications are generally rubber-stamped. However, earlier this year, the Stock Exchange issued the list and reminded brokers not to give discounts to dealers who were not on it.

Havard immediately applied to join the list and gave the Stock Exchange the necessary undertakings regarding its advertising and the methods by which it approaches prospective clients. However, the Stock Exchange refused to enter Havard on the list and declined to give its reasons.

The Stock Exchange yesterday said that it was not its practice to give explanations of admissions or refusals to the

list. Refusal is entirely a matter for the discretion of the Council.

Mr. Wilnot says that the Stock Exchange did, however, invite Havard to make a further application through a Stock Exchange member. This, too, was refused but the broker was advised that it had the right to appeal on Havard's behalf.

That right of appeal has not yet been taken up. Instead Mr. Wilnot is to seek legal opinion over whether Havard can ask the Office of Fair Trading to investigate the Council's action. "It highlights one of the ways in which the Stock Exchange is abusing its monopoly," he says.

Mr. Wilnot also complains of "continuing persecution" by the Stock Exchange. In May this year, after an investigation, the Stock Exchange cleared Havard of creating "false markets" in certain shares but announced that it would be monitoring all the firm's dealings. That order is still in force.

The Stock Exchange itself has already registered its code of practice with the OFT and this is to be investigated in 1981 by the Restrictive Practices Court under legislation designed to prevent abuse of monopolies.

# Co-op chief to retire

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

SIR ARTHUR SUGDEN, chief executive of the Co-operative Wholesale Society for the past five years, is to retire in September of next year when he will be 62.

Sir Arthur has given the CWS board almost a year's notice of his intention to retire.

The Co-op movement in Britain is facing probably its toughest trading period and the new chief executive will have an important role to play in determining the movement's future.

The CWS, whose annual turnover is more than £1.7bn, is engaged in top-level talks within the movement about setting up a new, unified co-operative structure.

Sir Arthur joined the CWS in 1932 and his career has included managerial and executive jobs including four years both as head of the society's food business and as deputy chief executive responsible for all trade.

Sir Arthur is a member of the Wilson committee of inquiry on financial institutions, a member of the board of the Co-operative Development Agency and chairman of the Co-operative Bank. He is expected to maintain an active role in many jobs

# Tenants' charter grants new rights

BY ANDREW TAYLOR

THE GOVERNMENT yesterday announced details of its proposed tenants' charter which will include giving council house tenants the right to take in lodgers and buy their own homes.

The seven-point charter, announced by Mr. John Stanley, Minister for Housing and Construction, will be included in the Housing Bill due to be introduced this autumn.

Covering all public sector tenants—inclusive of new towns and housing associations—the charter will grant a number of new statutory "rights."

The most important is the controversial right of sitting tenants to buy their own homes—although this measure does not so far include housing association tenants.

Other measures will include the security of tenure right of tenants to take in lodgers and sub-let part of their home and the right to improve and decorate their houses, including externally.

Public sector landlords will have to publish a summary of rules and procedures for allocating, transferring and exchanging accommodation—full details of which should be available for inspection. Landlords will be expected to consult fully with tenants "on matters affecting their tenancies."

The consultation paper said giving tenants the right to take in lodgers "should help to make extra accommodation available at no additional cost to public funds."

Public sector tenants will be able to apply for improvement grants on the same basis as owner occupiers. Landlords will not be able to increase rents simply on account of improvements if the tenant has either paid or received a grant for the improvements, said Mr. Stanley.

Mr. Neil McIntosh, director of Shelter, the organisation for the homeless, said last night: "At long last council tenants are to be free from arbitrary eviction, free from the medieval practice of restraint and given the right to a written tenancy agreement. These are historic measures."

The charter was also welcomed by the National Consumer Council and the London Boroughs Association. Mr. George Tremlett, leader of the GLC housing policy committee, said: "We welcome the principle of these proposals and give them our support."

# Shell risks qualified auditors' report

BY BARRY RILEY

SHELL TRANSPORT and Trading, one of the two parent companies of the Royal Dutch/Shell Group, risks a qualification to its auditors' report over the accounting treatment of deferred taxation. According to Mr. Henry Gold, Shell's head of accounting research: "We face this possibility."

The problem arises because the new UK accounting standard on deferred taxation, SSAP 15, becomes obligatory for financial statements for years beginning on or after January 1, 1979.

The Shell group's 1979 accounts will have to be drawn up in accordance both with SSAP 15, and with the corresponding U.S. accounting standard, which requires something close to full provision for deferred tax. In the UK, the rule is that deferred tax should not be provided for unless it will have to be paid in the foreseeable future.

Mr. Denis Garrett, who next month becomes senior partner of Shell Transport's auditors Ernst and Whinney, said the Shell group must be coming to a time when it would have trouble with all the various bodies who issue accounting standards.

"Obviously we are going to come up against a problem," he said. It was likely to arise next January.

A strong call for international harmonisation of accounting and disclosure standards was made yesterday by Mr. Dirk de Bruyne, president of Royal Dutch Petroleum and a group managing director of the Royal Dutch/Shell Group.

He said that, although some success had been achieved in the development of national accounting standards, "the curious result has been that, internationally, differences have become institutionalised and in some respects wider. The prospects, unless something is done to encourage greater international harmonisation, are that the position may grow worse."

Speaking at a conference of the Financial Executives Institute in Atlanta, Georgia, he criticised the way that accounting requirements were determined in some countries solely by fiscal requirements. He claimed that in many other cases the approach to accounting standards had been "too pragmatic," with insufficient theoretical underpinning. He exempted the U.S. Financial Accounting Standards Board from this criticism.

# BR plans 20% fares rise from New Year

BY LYNTON McLAIN

BRITISH RAIL'S plans for an increase in passenger fares of up to 20 per cent from January are to be announced before the middle of next month.

The increase, if it is agreed by the British Rail Board, will be the largest single fares rise imposed on passengers.

British Rail is, however, reluctant to give a date for the announcement, because it would lose revenue from passengers renewing long-term season tickets at current rates ahead of the increases.

Train fares rose by an average of 9 per cent in January and a large increase became almost inevitable after British Rail's decision not to raise fares again this autumn.

British Rail is well aware of the possible impact higher fares may have on the growth of passenger business. Fares rose by 62 per cent in 1975-76 and the number of passenger journeys fell by 4 per cent. Last year fares went up by an average of 14.5 per cent and passenger journeys rose by 3 per cent, giving passenger revenue of £702m.

The British Rail Board, which is at present considering the likely level of fare increases, is also taking account of the impact of falling standards, particularly where this affects Inter-City services.

British Rail acknowledges that the quality of some services, including the Inter-City 125 services from London to Edinburgh, has been a result of staff shortages and the impact on ageing operational equipment—such as signals—of Government ceilings on new investment and subsidies.

Staff shortages have already led to the cancellation, without notice, of advertised breakfast and buffet services on early morning Inter-City 125 services from London to Edinburgh. Passengers have had to endure over five hours of travel without a drink.

British Rail has denied that there has been pressure from the Government to restrain the next round of fare increases. It is understood, however, that Ministers have called on BR to keep all increases to a minimum by improving efficiency and raising productivity.

# £18m orders

BRITISH INDUSTRY gained over £18m in August from orders arising from grants and loans made to developing countries under the aid programme administered by the Crown Agents.

# TWA announces Airport Express. Now you can get a boarding pass without even going to the airport.

You only have to spend five minutes at the airport to see how crowded it gets these days. At certain times of the day you can see as many as 30 people queuing at every available check-in desk.

But now TWA introduces Airport Express to cut these queues down to size.

When you book your trip with your travel agent you can now request your boarding passes and seat numbers in advance. Not only for your outward flight but for all the TWA flights you have to make on a trip to the States—outward, connecting and return flights.

So you don't have to queue for them at the airport.

All you have to do is drop your baggage at the Airport Express desk and you're on your way through to the plane, to the exact seat you asked for.

Smoking non-smoking aisle or window. ONE FAMILIAR AIRPORT SIGHT YOU'LL BE SEEING LESS OF.

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TWA has 193 Ticket Offices in the States where you can get the same Airport Express service.

On your way back from the States, at any of the 50 cities served by TWA, you can simply check in your baggage at the kerb-side.

A TWA representative will check your ticket, pick up your baggage and you can walk straight through the terminal to your plane without any queues to hold you up.

We think you'll like TWA's new Airport Express service.

Unless, of course, you're one of those people who enjoys queuing at airports.

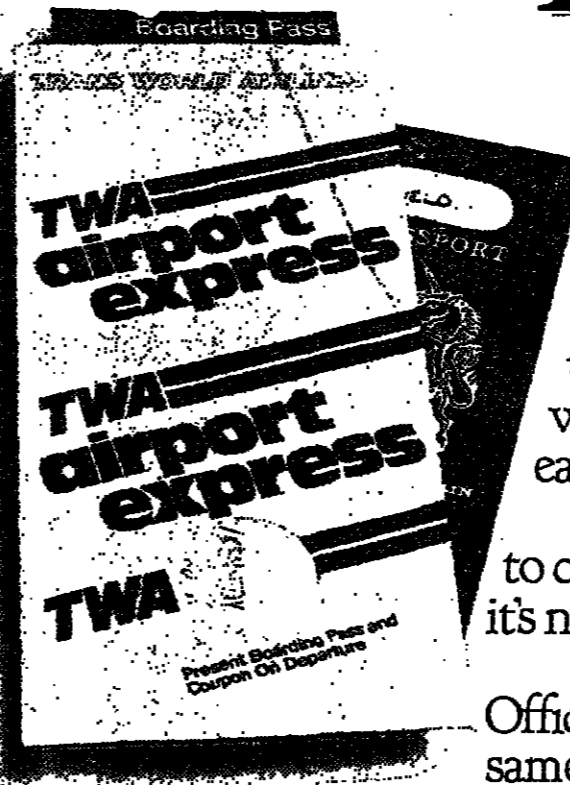
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ALL YOUR BOARDING PASSES BEFORE YOU GET TO THE AIRPORT.



CUTS QUEUES DOWN TO SIZE.



DROP YOUR BAGGAGE WITH A TWA REPRESENTATIVE AT THE KERB.







# 'Publish exam results' move

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

STATE SECONDARY schools could be required to publish digests of their results in public examinations, as a result of the Education Bill to be introduced to Parliament this month.

Although publication of the results would not be specifically required by the Bill, it would empower the Secretary for Education and Science to direct what information would have to be provided to help parents choose schools.

The clear intention to specify exam results as part of the information will be challenged by the National Union of Teachers during the fortnight or so remaining before the Bill is introduced. The union, which opposes publishing exam results because it claims they are an unfair basis for comparing schools, is to put its case to Lady Young, Minister of State with responsibility for schools.

The Government apparently considers this a necessary aid to parents' choice. But they lose their "last-resort" power, currently enforceable because of a loophole, to compel a local authority into sending their child to a particular school if the Bill becomes law.

This loophole would be closed as part of the Bill's measures to enable local authorities to close schools whose running becomes uneconomic as the pupil population diminishes.

Local authorities would be able to oppose parents' choice of a particular school on the grounds that the choice is likely to prejudice efficient education.

Parents would be able to appeal against a local authority's allocation of their children to a school, but the appeals machinery would probably not be fully independent, as the Conservatives at first intended.

Arrangements under the Bill would allow the appeals committee to have a slight majority of local authority nominees, plus a number of independent "experts," possibly including teachers.

Parents would, however, be entitled to a minimum representation of two elected members on a school's governing body, with a similar minimum entitlement for the school's teachers.

# Neave suspects 'in Eire'

THE MEN suspected of having murdered Mr. Airey Neave, the Conservative MP, are living in the Republic of Ireland, according to latest intelligence reports.

Scotland Yard chiefs are hoping that if new anti-terrorist arrangements are made between the British and Dublin governments they will be able to bring the men to trial.

Commander Michael Richards of Scotland Yard said yesterday at the inquest at Westminster into Mr. Neave's death: "This inquiry is still very much in action."

Mr. Neave, who was Tory spokesman on Northern Ireland, was killed by a car bomb as he drove out of the House of Commons car park on March 30.

His widow, Lady Airey Neave, sat calmly through the 30-minute hearing yesterday. The coroner, Dr. Gavin Thurston, returned a verdict of unlawful killing.

Mr. George Berriman, an explosives expert of the Royal Arsenal, Woolwich, said Mr. Neave was killed with a highly sophisticated bomb, attached to his blue Vauxhall with one or two magnets.

A wrist watch was used to prime the device at a set time. The bomb was activated by a mercury tilt switch.

# IRA 'backed by 1 in 5'

BY OUR DUBLIN CORRESPONDENT

A FIFTH of the Irish Republic's population supports, to some degree, the motives of the IRA, but less than half of these support its methods, according to a survey published yesterday by the Irish Economic and Social Research Institute.

The general conclusion seems to be that traditional attitudes remain as strong as ever. Sixty-eight per cent believe the best solution to the present violence is a united Ireland. Seventy-two per cent believe in unilateral British withdrawal from Ulster, regardless of what the people in the province want.

The fact that a majority—59 per cent—believes such a withdrawal would lead to more violence is interpreted in the survey as a sign that anti-partition sentiment is so strong it over-rides other considerations.

Sixty-three per cent believe the Irish Government should take stronger measures against the IRA and almost half would support extradition.

This may help Mr. Jack Lynch, the Irish Prime Minister, in taking a tougher line in the wake of the Mounthatten killing.

The common view that people in the Republic take little interest in Northern Ireland's affairs gains credence. Substantial differences emerge in attitudes between Catholics in the Republic and their co-religionists in Ulster.

Particularly striking is the lack of support for power-sharing south of the border. Only 4 per cent chose this option, compared with 39 per cent of Ulster Catholics.

Almost 50 per cent of Catholics in Northern Ireland would be happy to stay within the UK, according to the survey.

Although there is evidence that the idea of a Federal Ireland is gaining ground, in general the findings can only encourage hardliners on both sides. In the Republic, it is bound to strengthen the Republican wing in the ruling Fianna Fail Party. The party recently suffered a bruising encounter with Mr. Lynch, but may now be persuaded to continue its campaign to have the Government adopt stronger anti-partition policies.

# Cost doubts on state protected pensions

BY ERIC SHORT

IN CONDITIONS of economic adversity, no state could possibly protect the large section of the community receiving state and public sector pensions, according to Mr. Douglas McKinnon, deputy general manager of the Scottish Mutual Life Assurance Society.

Mr. McKinnon expressed doubts on the present method of protecting these pensions in his presidential address to the Faculty of Actuaries in Edinburgh last night.

He said the state guaranteed that its pensions would go up in proportion to the rise in earnings. Public sector pensions were also protected.

However, the cost of this protection could grow so much that it became unworkable in the event of economic decline.

He also questioned the current use of the Retail Price Index in revising pensions. When the taxation system changed emphasis from direct to indirect taxation—as was happening with the present Government—pensions went up because of the rise in the index, even though the changeover had a neutral effect.

He suggested the new Tax and Prices Index quoted by the Central Statistical Office would be more appropriate.

# Computer aids Olympics training

BY ELAINE WILLIAMS

SOME British athletes may get the chance to train for the 1980 Olympics by computer.

A system has been developed in the U.S. by a company called Computerized Biochemical Analysis to analyse scientifically the movements of the body. This enables the company to work out what has to be done to perfect an athlete's performance.

The system is being used at a research centre in California by the U.S. Olympic team to improve field and track event performance and British coaches have shown interest.

The U.S. has said that any foreign athlete would be welcome to visit the centre.

Dr. Gideon Ariel, the company's research director, is visiting Europe to present the results of his research, which also has many medical applications.

Basically, the system involves filming an athlete's movements using very high speed film. After processing it is broken down frame by frame, so that the forces generated by key joints can be calculated.

The relative position of the joints is then stored in a computer memory for each frame. This digitising of the information shows up on a television screen as stick-like figures. From this the computer can work out the velocity, direction, acceleration, angles and forces generated by the body segments.

This then identifies a person's strengths and weaknesses and, possible ways in which improvement can be achieved.

Dr. Ariel has also used the system to improve the design of sports equipment, such as tennis rackets and shoes.

He has said that there are many other important areas in which the system can be employed. It is being used in research for government agencies into improved industrial and consumer safety, such as in analysing car crashes.

Other applications include analysis of human performance in industry, the study of degenerative locomotor patterns in muscular dystrophy and the research and design of children's toys to avoid injury.

# HTV fights to keep joint franchise

BY ROBIN REEVES, WELSH CORRESPONDENT

HTV (Harlech Television) wants to maintain Wales and the west of England as a single commercial television franchise area. It is trying to defuse attacks on the company for its opposition to creating a Welsh language television service on the fourth channel.

The Welsh language issue—regarded by HTV as an unwarranted imposition—has caused widespread dissatisfaction. Welsh language supporters believe there is a totally inadequate TV service for the half-a-million Welsh speakers.

The Independent Broadcasting Authority's review of the existing 14 franchise areas is only a few months away. HTV has published a 19-page booklet arguing that the scale of services which Wales will require, in both English and Welsh, to meet the needs of the fourth channel, demands the strongest base.

"The joining of Wales and the west of England has created such a base to the mutual advantage of both areas," the company says.

**Competition**

The company has plans for a multi-million pound investment in a television centre near Cardiff, and studios in Mold, North Wales, and Carmarthen, West Wales. The plans depend on the financial strength built up over the years because the two areas have been linked, it says.

"A Welsh company would find itself facing competition rather than full co-operation from any new and separate west country company, in the same way that we now face competition from other ITV companies in north-east Wales and Mid-Wales" (Granada and ATV).

Public meetings held by the IBA in both Wales and the west of England have produced vociferous opposition to maintaining the present link between the two areas for franchise purposes.

HTV is at pains to defend its public support for a recent decision by Mr. William Whitelaw, the Home Secretary, to abandon a six-year-old plan to develop a Welsh language service by concentrating both BBC and HTV Welsh output on the new fourth channel. The Government is now proposing that the two broadcasting organisations should each carry Welsh output on one of their two channels.

Deep anger at this last-minute reversal of policy has led to accusations of treachery against HTV, the IBA, and the Government. Broadcasting studios have been invaded and Conservative Party offices throughout Wales daubed with paint by the militant Welsh Language Society.

**Mass campaign**

Last week, the principal of Swansea Theological College and two university senior lecturers (one a former BBC department head) protested by breaking into a West Wales transmitter and blacking out programmes to some 600,000 viewers. The Welsh Nationalist Party is threatening to launch a mass campaign of withholding television licence fees.

HTV argues that, since the fourth channel will now be part of the commercial television system, to put all Welsh programmes on the fourth channel would seriously reduce the Welsh language audience, infuriate non-Welsh speakers and "amount to an unmitigated disaster."

Even so, there remains a body of opinion which feels strongly that the single channel solution is the only way of reducing friction arising from Wales's bilingualism.

# Foster Wheeler plans overseas expansion

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

FOSTER WHEELER, the UK process plant contractor, has formed a new construction company to expand its activities in the "construction only" sector of large overseas projects.

The new organisation, to be based in Reading, will be made up of new construction companies based in the U.S., Italy, Spain and France, where Foster Wheeler is already well established. Foster Wheeler World Services (FWWS) will operate independently of its parent.

Foster Wheeler's order book is split evenly between UK and overseas projects. Mr. Donald Newbold, chairman of FWWS, said yesterday: "The restructuring of our construction organization will enable us to utilise our disciplines and skills more fully and over the broadest range of construction resources compatible with today's fiscal and political factors."

Emphasising the experience that the Foster Wheeler Corporation (based in the U.S.) has had in energy projects, Mr. Newbold said that the new organisation had been formed to take advantage of the development of energy resources, other than oil, over the next 20 years. He mentioned in particular the development of nuclear power stations throughout the world and liquefied natural gas plants, where FWWS will tender.

# Insac helps win U.S. software contracts

BY ELAINE WILLIAMS

INSAC, the software marketing subsidiary of the National Enterprise Board, has been successful in helping two British software companies win development contracts in the U.S., it announced yesterday.

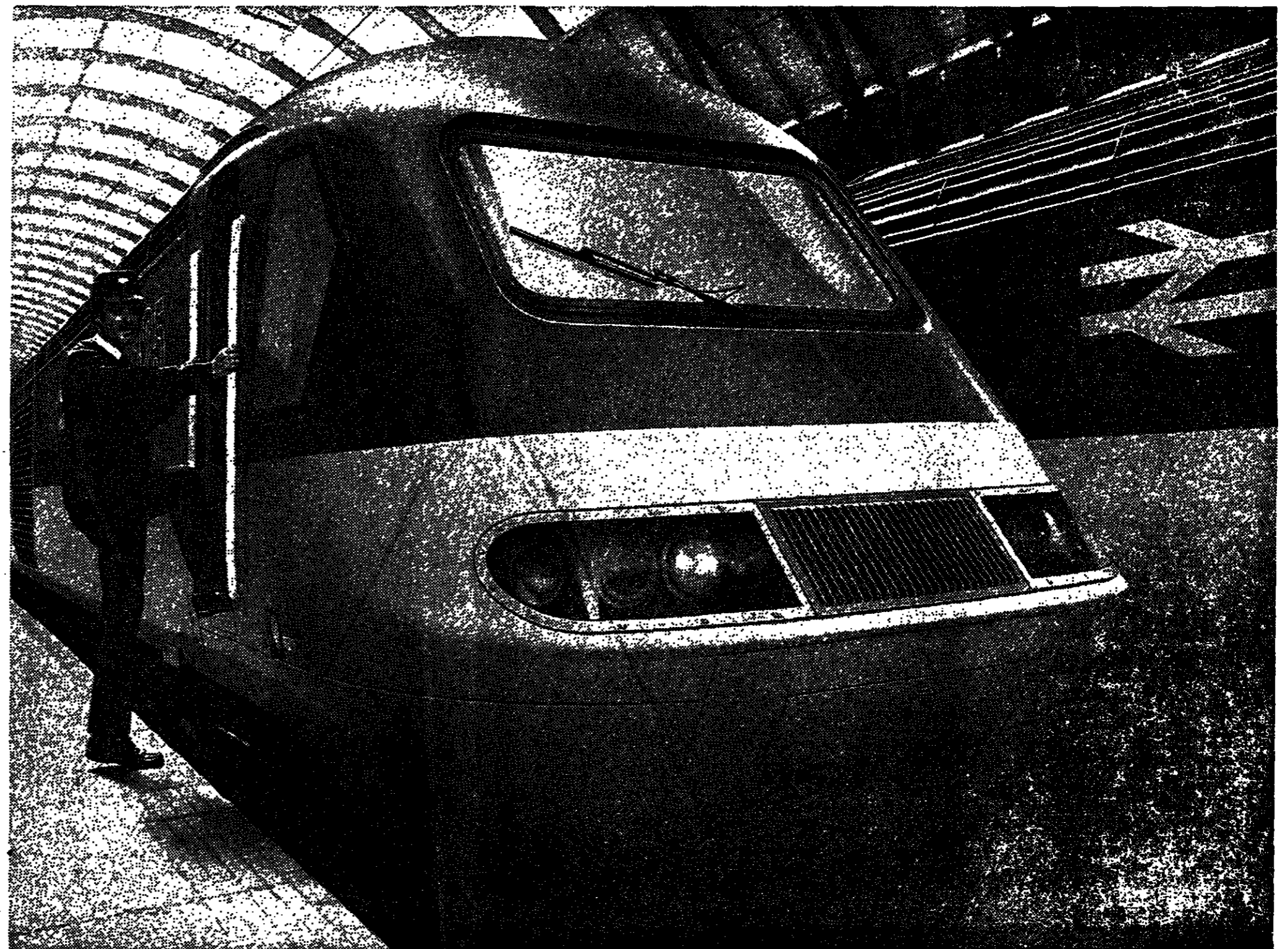
Computer Analysts and Programmers has won a contract with a major computer manufacturer for the development of a new machine. If the study phase is completed successfully, the company will go on to carry out the design and implementation.

The company has received financial and marketing support from Insac in sending three of its staff to set up a permanent marketing organisation in New York in three weeks. Computer Analysts hopes to win at least two contracts in its first three months of operation.

Computer Analysts' main expertise lies in banking systems and it will be aiming for mainly this market. The agreement it signed was with Insac Products, the investment banking side of Insac's activities.

The other company, Systems Designers, has developed a range of viewdata, the computer information service, for Insac. It will be trying to gain entry into the communications and defence markets.

Insac Products has spent £1.4m in support of its member companies' projects covering development contracts, trade deals and marketing activities.



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Driving yourself to business meetings is one certain way to drive yourself round the bend.

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Have a good trip!

THE JOBS COLUMN

Employers cause shortage of skilled staff

BY MICHAEL DIXON

ABOUT EVERY seventh time I go home at night, the train is cancelled for lack of a guard or driver.

The same condition — of being simultaneously understaffed and overmanned — seems increasingly true of the UK economy as a whole.

Employers complaining of this ill, blame it largely on Government and trades unions for the erosion of pay differentials and the maintenance of restrictive practices, which deter people from becoming skilled workers and prevent the existing stock of capabilities from being deployed effectively.

Their contribution, aided and abetted by the formal education system, is made by refusing even to consider as candidates

for training the majority of people who have failed to attain certain "standards" in national examinations, such as five passes in the General Certificate of Education Ordinary Levels at 16-plus, two passes at GCE Advanced level, or a degree.

But firm evidence that the process is an unreliable means of determining a person's suitability for training and the consequent work, has just been produced by the National Computing Centre.

Alarmed by the sharply worsening shortage of computer staff, the centre started in 1976 a "Threshold" course to train people aged 16 to 19 as operators and programmers.

Instead of putting initial applicants through one of the orthodox educational sieves, however, the centre submitted all who applied to its own pre-selection. The first stage consisted of four "paper" tests of aptitudes. Two assessed ability to observe and think clearly and logically in terms of words, figures and diagrams.

The other pair assessed two aptitudes which had previously been found associated with effectiveness as a programmer — the ability to deal mentally with spatial problems, and that of coping quickly and accurately with clerical tasks. As a second stage, the applicants were interviewed according to a predetermined pattern.

DIFFERENCES IN 'HARDNESS' OF GCE O-LEVEL EXAMINATIONS—1968 AND 1977

Table showing differences in 'hardness' of GCE O-level examinations between 1968 and 1977. Columns include Subject, Number entering (1968/1977), Increase in entries, Percentages passing (1968/1977), and Passes as % of 16-year age group (1968/1977).

(Total 16-year age group at January 1=660,000 in 1968, and 758,000 in 1977)

The centre's study of the subsequent performance of the trainees chosen by these methods, is technical and lengthy. So I shall quote details only for the first 100 trainees who obtained work as computer programmers directly from the Threshold course.

If the centre had applied the initial educational sieve generally used for comparable courses—four pass grades at GCE Ordinary level, or the equivalent—35 of the 100 programmers would not have been allowed to enter training.

others (including some local authorities), we cannot but wonder what is the difference between the programming to be done in those organisations, and that to be done in the installations employing Threshold programmers," the study adds.

in selecting data-processing staff."

But here the mind begins to boggle for another reason. English language, literature, and maths are the three subjects in which it is easiest and becoming still easier to obtain an O level pass grade.

Bank Manager

Gulf States

Our client, a prominent local bank, is seeking an energetic and resourceful manager to manage one of their branches. It is located in an area of growing importance, and presents the right mix of challenges to meet the needs of the area.

The bank wishes to expand its corporate business. The person apart from the ability to supervise the daily operation of the branch, he must have proven marketing and general knowledge of the banking needs of corporate and wealthy individuals.

A well developed credit sense, full understanding of international trade financing and an ability to evaluate risks in large and complex credit situations are all required. Experience of work in the Gulf States plus knowledge of Arabic would be an added advantage.

The rewards for this challenging position will be negotiated together with an incentive scheme. Free accommodation, annual leave travel and other normal expatriate benefits will also be provided.

Applicants should send detailed resumes in confidence quoting reference G1150 to: Middle East, Lansdowne Recruitment Limited, Deodar Road, London W15 6SL.



ARBITRAGE DEALER

Experienced Market Dealer required to supplement existing team in Kafir market. Competitive remuneration. Please write to:

T. G. Walford, International Department, SIMON & COATES, 1 London Wall Buildings, London, EC2.

CJA RECRUITMENT CONSULTANTS 35 New Broad Street, London EC2M 1NH. Tel: 01-588 3588 or 01-588 3576. Telex No. 887374. An exciting position—opportunity to advance to position of a senior Manager or to a position of Deputy Managing Director in 4-6 years. FINANCIAL CONTROLLER £16,000-£18,500 EXPANDING, LONG-ESTABLISHED COMMERCIAL BANK. We invite applications from accountants (F.C.A. or A.C.A.) aged 32-40 who have acquired at least six years' post-qualification experience through either the consultancy side of a professional accountancy practice or in a financial institution or merchant bank or similar service environment...

Financial Controller £16,000+ pa Eastbourne. Armour Pharmaceutical Company Limited, a U.K. subsidiary of the REVLOM HEALTH CARE GROUP, manufactures a wide range of pharmaceutical products at Eastbourne, Sussex. We wish to appoint a FINANCIAL CONTROLLER to be responsible to the Managing Director, reporting to RHCG Headquarters located in Paris, for all aspects of the Company's finances including taxation, with a special emphasis being placed on management accountancy. The maintenance and development of effective control procedures and the provision of a lively and efficient financial service to all levels of management will be a key aspect of this important position which could lead to a Board appointment.

PURCHASE AND SUPPLY OFFICER sought by international organization with headquarters in Geneva Switzerland. The incumbent of this post will be deputy to the chief of the unit, which is in charge of world-wide purchasing of a wide range of equipment and supplies. Candidates should have a degree in business administration or a related field, several years' experience in international commerce, excellent knowledge of English and at least a working knowledge of French. Initial hiring will be for a period of one year, renewable. Replies will be sent only to candidates selected for interview. Applications with brief curriculum vitae should be forwarded to CIPHER B 18-119480 - PUBLICITAS CH 1211 GENEVA 3.

PART-TIME FIELD OFFICER (£2,000 plus expenses for a two-day week). The Cancer Research Campaign requires Part-time Field Officers for Kent and East Sussex to solicit donations from industrial and professional groups. Candidates considered suitable for a field role will be invited to participate in a training programme. The successful applicant will work from home attending interviews, preparing and presenting material, and will have an understanding of business and public relations. A salary allowance will be paid. A mileage allowance will be paid. An Administrative Director, applying to: Campaign for Cancer Research, London SW1Y 5AA, tel: 01-850 6922. Recruitment of applications is first post Friday, 9th November.

Financial Director. WE ARE a private manufacturing company located in the East Midlands employing 1,000 people, with an unbroken ten-year profit record and currently with profits in excess of £1.5m. owner managed, ambitious and progressive, and bursting with ideas for our future growth. We have a small management team and seek a real professional to join us to head the finance function. ARE YOU a shirt-sleeve accountant who can grow with us, experienced in industry and yet still regard the best of British industry to be the best in the world. have you got drive, enthusiasm, technical knowledge, leadership and inventiveness. WE OFFER this opportunity to join us and grow with us—the only limiting factor being yourself. salary package? Forget it... much better than you are currently earning, and YOU determine your own future salary and conditions. Write and tell the Chairman and Managing Director what you have to offer. Full details please. Write Box A.9931, Financial Times, 10, Cannon Street, EC4P 4BY.

MARKETING MANAGER. Ramsgate Dunkerque Ferries will be operating a passenger/car and freight line from April, 1980, from Ramsgate to Dunkerque. The company has a challenging opportunity for a positive and enthusiastic passenger/marketing manager, preferably with experience in ferries but airline, travel agency or other similar experience is accepted from the right person. Only a highly qualified professional personality need apply for this position where marketing and public relations skills of the highest order are required. Please write, stating age, full career details including salary progression to: Ole Lauritzen, Ramsgate Dunkerque Ferries, 49 Harbour Parade, Ramsgate, Kent CT11 8LJ. Ramsgate Dunkerque Ferries will be a wholly-owned subsidiary of Olau-Line Copenhagen and will be fully independent of Olau-Line (U.K.) Ltd., operating the ferry service between Sheerness (England) and Flushing (Holland).

NIGERIAN PORTS AUTHORITY PRINCIPAL MARINE ENGINEERS SENIOR MARINE ENGINEERS VACANCIES Applications are invited from suitably qualified Marine Engineers to fill the following positions in the Dockyards Division of the Nigerian Ports Authority: (1) PRINCIPAL MARINE ENGINEER (2) SENIOR MARINE ENGINEER Qualifications: 1st Class D.T.I. in Motor or combined Motor and Steam (Britain) or 1st Class M.O.T. in Motor or combined Motor and Steam issued in any of the following Commonwealth countries: (a) Canada (b) India (c) Australia (d) Pakistan or equivalent qualifications from any European countries. Age: Candidates must be between the ages of 25-45 years. Experience: For position (1) above, candidates must have sailed as Chief Engineer for at least two years on vessels of not less than 3,000 KW power. For position (2) above, candidates must have sailed as Chief Engineer for not less than one year on board vessels of 3,000 KW power or above. Candidates with Dockyard experience in addition to the above with particular emphasis in Dredging and Buoying operations will be at advantage. Salary: Non-Contract Officers For (1) above, Grade Level 12, i.e. N7,404 x 216—N8,052 (pensionable). For (2) above, Grade Level 10, i.e. N6,744 x 180—N7,284 (pensionable). Contract Officers In addition to the above, Contract Officers are entitled to 15% contract addition and also special gratuity arrangements. This is non-pensionable. Salaries are also negotiable especially for those with Dredging and Buoyage experience. Application forms are obtainable at any of the following addresses: (a) London Representative, Nigerian Ports Authority, Mansfield House, 376/379 Strand, London, WC2. (b) Chief Personnel Officer, Nigerian Ports Authority, 26/28 Marina, Lagos—Nigeria. Method of Application Application with full curriculum vitae should be addressed to the Chief Personnel Officer, Nigerian Ports Authority, 26/28 Marina, Lagos, Nigeria, to reach him not later than 15th November, 1979. J. E. KALU, Secretary to the Authority. N.P.A. NOTICE No. 3200 Dated 22nd August, 1979.

ADVISER IN PETROLEUM EXPLORATION The Gabinete para a Pesquisa e Exploracao de Petróleo (G.P.E.P.) is the official agency of the Portuguese Government responsible for everything related to exploration and production of oil in Portugal and controls all companies involved in oil exploration in the country. The G.P.E.P. has a need for an experienced adviser in petroleum exploration. The post calls for an experienced petroleum explorationist accustomed to assimilating geological/geophysical data into coherent regional as well as local assessments. Candidates should be fully conversant with geophysical acquisition techniques, processing and interpretation as well as subsurface evaluation techniques. Experiences to several types of petroleum provinces is desirable. The successful candidate will be called upon to initiate and assist in the execution of geological and geophysical evaluations and studies together with a group of younger geologists and geophysicists. The G.P.E.P. is located in Lisbon. Salary and duration of contract is negotiable. Applications should be sent in until three weeks after publication to Gabinete para a Pesquisa e Exploracao de Petróleo, Rua Brancamp, No. 11, 4, 1200 Lisboa-Portugal.

A leading firm of West End Solicitors requires a TAX SPECIALIST to join a group of tax experts who undertake UK and international tax work at the most complex and sophisticated levels. The successful applicant will not necessarily be a solicitor but will: Already have a sound knowledge of all forms of UK taxation; Be experienced in commercial and company matters with the ability to deal with clients and other professionals; Be of high intellectual calibre with the enthusiasm and commitment to deal creatively with challenging and demanding problems. Immediate substantial rewards are offered with interesting and stimulating career prospects. Please write Box A.8935, Financial Times, 10, Cannon Street, EC4P 4BY.

مكران العجل

£6,000 accountancy appointments £9,000

Assistant Financial Controller c 23/28 SW1 c £8,000. A property investment group with substantial assets is poised for growth in the 1980s. A young man or woman is required to contribute to the successful financial team and the group's future expansion plans. Location is London SW1.

Part-Qualified MANAGEMENT ACCOUNTANT TO £6,000. Marketing company, principally in housewares and TV-promoted albums, requires a creative, part-qualified management accountant. Reporting to the financial controller, he/her will assume full responsibility for budgets and forecasts, the production of periodic management reports, in liaison with a broad range of other duties.

CHARTERED ACCOUNTANT. Our client, one of the City's foremost professional firms, seeks a candidate to join their team. The successful applicant will be newly qualified or about to qualify in the near future.

APPOINTMENTS WANTED. Englishman, mature qualified professional, broad international experience at senior management level in Middle East and Africa, real ability and know-how, seeks new position in Middle East, Africa or elsewhere.

UK NEWS-LABOUR

Murray plea for joint action

A JOINT approach is the only way to solve Britain's economic and industrial problems, TUC general secretary Mr. Len Murray said yesterday. He said he hoped the new strategy which has been introduced into the industrial debate would not threaten the tripartite structures developed within the National Economic Development Council.

ACTT will put ITV deal to shop stewards' vote

NATIONAL NEGOTIATORS from the Association of Cinematograph, Television and Allied Technicians yesterday decided not to recommend a two-year 45 per cent deal, although a meeting of shop stewards and union delegates tomorrow is expected to give its approval. The ACTT negotiators had already rejected the idea of rejecting the deal.

Arbitration plan for Paddington

BRITISH RAIL proposed yesterday that the dispute which has led to three 24-hour strikes at Paddington station in London, severely disrupting services, should be referred to arbitration. The arbitration would be taken by Lord McCarthy, lecturer in industrial relations at Nuffield College, Oxford.

BL woos the workers

BL LAUNCHED "a massive communications exercise" yesterday to win support from the workforce for the company plan to close plants and shed more than 25,000 jobs. Managing directors of the principal subsidiary companies will be meeting groups of workers over the next week to brief them on the company's strategy.

Burmah pay deal

BURMAH-CASTROL has negotiated a pay deal with a large section of its white collar staff which includes a special payment as an inducement to start talks on improved productivity. The settlement with the Association of Scientific, Technical and Managerial Staffs involves an increase of 161 per cent on salaries and an extra days holiday for staff with more than 5 years service.

Warning of return to 'the lump'

THE TUC has told the Government that proposals for local authority direct labour organisations outlined in a consultation paper in August could mean the resurgence of the "lump" - labour-only subcontracting - in the building industry.

MSC seeks more use of schemes

THE Manpower Services Commission yesterday urged employers to make more use of its programme for unemployed young people with educational disadvantages and youths from ethnic minorities. Two reports published yesterday, suggest there should be more imaginative schemes for both groups and a wider range of employers and sponsors taking part in both the Youth Opportunities Programme and the Special Temporary Employment Programme.

Union recruits N. Sea divers

THE National Union of Seamen we will have to organise them, and get a recruiting campaign off the ground," said Mr. Harry Bygate, NUS Aberdeen official. Mr. Bygate said that the divers came from a broad spectrum of the companies operating in the North Sea and were concerned about continuity of employment, safety aspects and pay rates.

£6,000 accountancy appointments £9,000

Table with 3 columns: Job Title, Salary, Location, Advertiser. Includes roles like Tax Executive, Line Prospects, Finance Sector, Consultant, Company Accountant, Manager of Finance and Administration, Chartered Accountant.

For the full text of the advertisements please see the Financial Times of that date or telephone Sally Stanley on 01-248 5597

GENERAL APPOINTMENTS

CHARTERED ACCOUNTANT. Major investment institution in the City requires a qualified Chartered Accountant to manage accounts department. Previous knowledge of Stock Exchange work essential. Preferred age 35-40. Good salary and all usual fringe benefits.

FINANCIAL FUTURES £12,000+. Resulting from rapid growth, this highly successful Commodity Brokerage with a Senior Executive in the dual role of Analyst and Trader. Experienced in bonds, C.D., Gilt and money markets. Car plus substantial bonus for the right candidate. Salary is negotiable. Inquiring party, M. Ogilvie. Phone in strict confidence.

METAL ANALYST. A firm of Commodity Brokers seeks an experienced analyst to complete their established research department. You are completely self-motivated, energetic and are accustomed to long term research. You are also experienced in the use of statistical methods and are prepared to make trade recommendations. Please send CV to: Mr. J. J. Jones, 10 Cannon Street, EC4A 3DF.

BANKING APPOINTMENTS c.£5,500 + excellent perks. CREDIT ANALYST with 2 years' experience required by a progressive relatively new international Bank. Age mid-20s with preferably 1-5 bank formal credit training. Ring for appointment on 01-252 9022/3. VPM EMPLOYMENT

COMPANY SECRETARY age up to 40, required for company engaged in sales and worldwide distribution of raw material produced by overseas parent company. To be responsible for final accounts and usual secretarial duties. Modern office in E. London. Pension/life assurance scheme; holiday commitments honoured. Write for details with full details to Box A.8947, Financial Times, 10 Cannon Street, EC4A 3DF.

LEGAL NOTICES

THE COMPANIES ACTS 1948 TO 1976. EASTRECT TOWERS LIMITED. NOTICE IS HEREBY GIVEN, pursuant to section 253 of the Companies Act 1948, that a Meeting of the Creditors of the above-named Company will be held at the offices of LEONARD CURTIS & CO., situated at 24, Beaufort Street, London W1A 2SA, on Friday, the 19th day of October, 1979, at 12 o'clock noon for the purpose mentioned in sections 254 and 256 of the said Act.

COMPANY NOTICES

METROPOLITAN ESTATE AND PROPERTY INTERNATIONAL N.V. 20,000,000 EUROPEAN COMPOSITE UNITS (EUCO) in Good Issue. NOTICE IS HEREBY GIVEN that Metropolitan Estate and Property International N.V. is offering for sale and purchase 20,000,000 European Composite Units (EUCO) in Good Issue.

BOND DRAWINGS

CITY OF HELSINKI 8% U.S. Bonds 1981/1986. S. G. WARBURG & CO. LTD., announce that the redemption instalment due on 15th November, 1979 has been met by purchase in the market to the nominal value of U.S.\$1,000,000. U.S.\$8,000,000 nominal amount will remain outstanding after 15th November, 1979.

PLANT AND MACHINERY

SALE OF 80 USED Fork Lift Trucks. Stocks must be replaced regardless of cost. Birmingham Fork Lift Truck Ltd., 24-26, Birmingham Road, Edgbaston, Birmingham B15 2JG. Tel: 051-261 021.

EXHIBITIONS

GOLDMIDNIGHTS HALL THE SCHROEDER HERITAGE. An exhibition of Rembrandt's 'The Astronomer' by Pieter de Hooch. 10.15-8.00 pm. 24th September - 10th October. Entrance free. 23rd, Enfield.

ART GALLERIES

MacCONNAL MASON WILD AFRICA by Donald Grant Exhibition. October 15th-30th. 14 Duke Street, St. James's SW1 0JN. 01-839 7983.

"An achievement probably unparalleled in the UK"



Sumburgh Air Terminal was completed in only 9 months through the Scottish winter and was made possible by the Conder Kingsworthy method of building. Offices, hotels, hospitals, schools, etc. have also been built in half the normal time using Kingsworthy. If you want quality building in double quick time-and to budget, contact T. K. Holder, Conder International Limited, Winchester, Hampshire. Telephone (0962) 882222. Telex 47465.





**"My car couldn't have chosen a more desolate spot to break down. I abandoned it with ill-disguised anger and started walking.**

**I had been going for maybe half an hour when a Volvo estate drew up beside me. Such is my dislike of the car, that had it not been raining I would have waved the driver on."**

Let me start by admitting to a certain amount of irrationality when it comes to cars.

I have always bought cars that are faster than they need be, more luxurious than they should be and more expensive than they've any right to be.

In short, when on four wheels, I am a confirmed seeker after pleasure.

In the opposite corner, I always imagined were Volvo. Austere, frugal and eminently sensible.

The kind of car your mother would say was good for you.

Judge then my feelings as the Volvo stopped beside me on that rain-soaked road.

The driver was not some elderly hill farmer but a man I would not have put much above thirty-five.

"Can I give you a lift?" he enquired as he held open the door. "I passed your car down the road—beautiful looking machine."

As I slipped into the passenger seat I noticed that I was sitting on real leather. (The first of many discoveries I was to make that evening.)

"Let me introduce myself, my name is James Durban." When on the defensive, I invariably hide behind formality.

My rescuer was more relaxed and told me that his name was Tony and that he had a house some twenty miles away.

"Have you driven far?" I asked.

"About 300 miles" he answered. "But it's very easy in the Volvo. The 265 is a very long-legged car."

"You must have spent a fortune on sound insulation" I said with an ear to the uncannily quiet performance of the engine.

"Not a bit. It's a 6-cylinder engine. 2.7 litres with fuel injection and a light alloy block. And as you can hear very quiet."

The conversation was taking a turn that displeased me. As he steered the car expertly through the narrow country roads I attempted to steer the conversation towards more general topics.

"What do you do?" I asked.

"I'm a writer and I deal in antiques. I've just bought the coffer you see in the back"

I turned round and noticed that the rear seats had been folded flat and that we were travelling with a beautiful oak chest at least 6 ft in length.

By now I was beginning to go through that most uncomfortable of human emotions—a change of mind. However, I wasn't about to give up without a struggle.

"Yes a jolly practical car the Volvo, but it's a bit short on the creature comforts don't you think?"

Looking back I'm surprised he didn't turf me out there and then. Instead, he simply defeated me with facts.

"Well," he began, "there are a few standard features you might appreciate. Like air-conditioning, electric windows, power steering, heated driver's seat..."

"How thoughtfully Nordic" I muttered gracelessly.

He continued with a light smile, "Metallic paint, electrically operated door mirrors, heated rear window, central locking."

I interrupted him. "Alright, point taken. And I suppose you still haven't come to things like a cigar lighter, electric clock and a light in the glove box?"

"Exactly" he replied. "The Volvo has all of those, not to mention stereo speakers in the front doors."

The rain had begun to ease and as my clothes dried out I recovered a little of my customary good humour.

"Well, it's certainly more comfortable than I thought, is it expensive?"

"With the automatic gearbox it runs out at £9,868."

When I thought of what I had paid for the piece of exotica languishing on the road some fifteen miles behind us, I was stung to one last justification.

"Of course, my car is much faster. I can reach 150 mph on a good dry road."

"It's not quite so fast in the wet though, is it?" He asked the question in the mildest voice possible. To my credit, after a moment's hesitation, I burst out laughing.

"Touché" I said and for the rest of a very enjoyable journey we talked about antiques.

**The Volvo 265.**







LOMBARD

Questions for directors

BY GEOFFREY OWEN

There is a good deal of agreement that non-executive directors... If they do their job properly, can make a useful and sometimes decisive contribution towards improving the quality of management.

The starting point is the Board itself and how the members of it, especially the executive directors, see its function. In most companies promotion to the Board is the automatic result of appointment to one of the senior executive jobs—say, the managing director of a major division or subsidiary.

Grandeur

The inclusion of three or four strong outside directors should help to correct this imbalance, but it has to be accompanied by a clearer understanding on the part of the executives of what Board membership entails.

The second requirement is that the posts of chairman and chief executive should not be held by the same man. There is an unfortunate tendency for journalists, financial analysts and others to identify companies with a particular individual and, if they are successful, to attribute their success to that individual's flair for personality and so on.

TV/Radio

BBC 1
\* Indicates programmes in black and white
6.40-7.55 am Open University (Ultra High Frequency only)
7.55 For Schools, Colleges, 12.45 pm News, 1.00 Pebble Mill at (ne. 1.45 Bappuss, 2.00 You and Me, 2.14 For Schools, Colleges, 3.53 Regional News for England (except London), 3.55 Play School (as BBC2 11.00 am), 4.50 Secret Squirrel, 4.55 Jackanory, 4.40 Buford Files and Dinky Dog, 5.00 John Craven's Ninky Dog, 5.10 Stopwatch, 5.40 News, 5.55 Nationwide (London and South East only).

F.T. CROSSWORD PUZZLE No. 4,100

Crossword puzzle grid with clues for Across and Down sections.

Solution to Puzzle No. 4,999. Includes words like ANATOMY, LEGENDS, TELELABORATORY, etc.

Striking the right critical balance

NO ONE'S opinions are sacrosanct, least of all in the subjective business of film criticism. The views of professional film critics may be no more valid than those of a factory audience or the training manager in a sponsoring company.

Pertinent

But more dangerous, especially for those with little experience of the cinema, is the film in which the content is so pertinent to the particular problems of the viewer that nothing else matters. The rough edges, missed opportunities, ungrammatical handling of the medium, all pass unnoticed.

Gets Down the Redcar choice

LUCA CUMANTIS long-held belief in Gets Down has proved entirely justified at last with several fine efforts by Dr. Boffa's colt and I fully anticipate the hat-trick coming today.

RACING

course appearance. However, he achieved his "bracket" in style: romping home from Broad Green and 17 others in a 10-furlong maiden event at Nottingham in August.

an audience; the confident flow that carries the viewer along. It is competent enough and put together with professional finish (on an extraordinarily low budget). But if only it could have risen to the heights to which its audience, its impact would be universal and sustained.

FILM AND VIDEO

BY JOHN CHITCOCK

cinematic grammar. It flows, it has a sense of balance, it uses words and pictures admirably. This first part provides an historical introduction to the industrial revolution, cogent and of the stuff that makes good documentary.

In another recent release, The Auditor in Court (Melrose Film Productions), the importance of the subject could well have been set aside as a matter of critical assessment: this is a dramatised video programme which follows the cross-examination of an accountant in a High Court.

Yet there are so many ways of packaging a message that the role of the medium is a matter that subjects to ready. How, for example, would you tell farmers and farmworkers about the dangers of poisoning themselves with pesticides?

Huge risk

In One Man's Poison, the Health and Safety Executive have taken a huge risk (especially with a title like that, all ready to boomerang as a nasty

Tragi-comedy

Absurdity is right, because inevitably Hardy gives his famous line "a fine mess you've gotten me into..." The tragi-comedy of the situation drives the message home far better than so many dull safety films. It is helped by excellent scripting and performances, especially the quiffed-up caricature of Laurel and Hardy by Peter Goodwright—and in the middle of the absurdities which follow is the poor farmer with whom, until now, we identified quite seriously and convincingly.

Some safety experts, immersed in their own problems, may well dislike the scrupulous style. But if you reduce a film critic saw this film some two months and 30 films ago and still remembers it strongly enough to make space for it now, it must have something mustn't it?

ENTERTAINMENTS GUIDE

OPERA & BALLET
ENGLISH NATIONAL OPERA
TENTH ANNIVERSARY CELEBRATIONS
SALZBURG FESTIVAL
COVENT GARDEN

THEATRES

CRITERION from 8.00 pm incl. Sun. Mon-Thurs. 8.00, Fri. & Sat. 8.30
ROYAL COURT 730-1726. From 7.30
ROYAL COURT THEATRE UPSTAIRS
ROYAL COURT THEATRE DOWNSTAIRS

REDCAR

2.15-Oceana
2.45-Yiva\*\*\*
3.15-Wingun
3.45-Gets Down\*\*
4.15-Rabha\*
4.45-Hedge School

WHERE DO TOP BANKERS MEET EACH MONTH?

in THE BANKER OUT NOW THE OCTOBER ISSUE

- \* The independence of central banks.
\* Lessons from sterling's dirty floating.
\* Issues behind the US-German bid for Euro-market controls.
\* The tangled web of US banking legislation.
\* Keynes re-interpreted on inflation.
\* The role of financial futures.
\* Why Hong Kong bank profits are up.
\* The Fed plugs in to exchange rate talks.
\* How much capital banks should have.

THEATRES

THE SHREK HOLMES MYSTERY
THE SHREK HOLMES MYSTERY
THE SHREK HOLMES MYSTERY
THE SHREK HOLMES MYSTERY

ENTERTAINMENTS GUIDE

BRISTOL LANE CC 01-936 8108. Eve. 8.00. Mon. 8.30. Fri. & Sat. 8.30

CINEMAS

ABC 1 & 2 SHAPPEYVILLE Ave 808 682. Sep. 8.00. All seats bookable



THE ARTS

Dublin Theatre Festival-2

Car Seat and Hot Seat

by B. A. YOUNG

Already I've been taken to task for attributing a mere half-dozen theatres to Dublin's million inhabitants. Don't I know there are at least nine, if you count them? Dublin is no doubt even more literate than I said; on Saturday morning there was a headline in a newspaper reading "Agape and Eros," not the kind of reference you find in the Sun. Yet to see how intellectual Dublin sees itself in these post-Joycean times, try the Eblana Theatre for Crooked in the Car Seat by Brian Lynch, a Government information officer.

Here a whole gamut of sins, mortal and venial, is played out in the Ranelagh garden of Dr. Pearse Crowe and his wife Helen. (Designer Alan Pless has furnished the garden with upholstered couches and a mahogany drink cabinet.) The sins are mostly conventional. Drinking and adultery are continuous and not taken for granted. But anything out of the run may cause an emotional upheaval. The Crowes' friend John has brought his boyfriend Larry. No one minds him until he offers round his Mandrax "Mandrax," John thunders, "is the hallmark of a professional bumby." Well, Larry is a professional bumby, yet it takes this lapse to throw everyone into a tizzy.

for sporting with Larry in a toilet, you would think the world was coming to an end. Yet at this time Pearse is sleeping with Irene, a student of his friend David's, and Helen is sleeping now with David and now with Eamon, another visitor, and doing her best to ensnare John as well. And oh, it is so dull! If I thought sin were as tedious as that, I'd give it up this evening. People come and go with no motive but to help Mr. Lynch keep his play off the ground, and they talk in obscure disconnected dialogue which the occasional sub-epigram, blasphemy or four-letter word does little to invigorate. Everyone seems to be in a daze, no doubt the result of so much alcohol, marijuana and sex. Perhaps the responsibility lies with the director, Donald Taylor Black.



Scene from 'Crooked in the Car Seat'

New Music in Hungary-1

Kurtág's Játékok by DOMINIC GILL

This year was the sixth festival of Korunk zenéje—contemporary music—in Budapest. Since the first tentative beginnings in 1974, when new music was included as a separate category in the Budapest Music Weeks for the first time, the event has grown in scope and stature each year to become a full-blown and impeccably organised celebration worthy of comparison with any like-minded festival in Europe east or west. In 1977, Korunk zenéje was stretched to its limits, offering an almost Royan-like profusion of 17 concerts in the space of one week. This year and last, the series has confined itself to a dozen programmes in ten days—a sensible reduction that has attracted a corresponding increase in audiences, as Royan learned to its (eventually mortal) cost, no one, least of all the local public who must be such a showcase festival's first and last raison d'être, can take in and properly appreciate new works in such hectic sequence.

Official rejection of the "elitist" aesthetic (as it was then condemned) of Bartók, and from the imposition of a cultural line which recognised as valid only a very narrow range of musical experience—essentially a kind of sub-Kodály romantic-folklore stereotype, usually a cantata, oratorio, suite, symphony or symphonic, profoundly synthetic and, in a way that will be familiar to every student of post-revolutionary art, irredeemably dull.

were the first to carry forward the banner of the New Music in Hungary, no longer content with the same precarious re-working and re-stitching of "traditional" pre-war styles. Kurtág's opus is not large: he works slowly, with extreme self-restraint. The few works which do find their way to publication are often miniatures of the briefest duration; but small as they are in size, they are large in spirit and complex resonance. Kurtág premieres have been among the highest points of the six Korunk zenéje that I have visited. Last year there a set of 12 Mikroszemélyek for string quartet written in homage to András Mihály, the new director of the Budapest State Opera—a dozen tiny fragments, together lasting barely 10 minutes, each a delicate curl of fragrance, a pattern of echoes and re-echoes that summoned, without ever directly quoting or imitating, a hundred shadows of other composers. Bartók, Webern, Schoenberg, a quicksilver thrill of Debussy, a nostalgic folksong.

baritone and ensemble also made a powerful impression: brief miniatures, conceived with the greatest finesse and concentration, but stirring also—"Alcohol," a monotone chant for voice and bowed zither; "Dostoevsky," a dark, dramatic recitative with violin and cello, full of echoes and portents; "Beating," a bitter contest for three instruments and voice, savage and resonant. We also heard, during the same concert, 39 of Kurtág's Játékok—which go under the English title of Plays and Games. Játékok are Kurtág's Mikroszemélyek: a collection of about 200 tiny piano pieces for two and four hands, designed for students of all ages, ranging from the very easy to the fairly difficult. Some are free transcriptions of a particular (in the widest sense) technical point with marvellous poetry and humour, vigour and verve. Children love them: it was evident that the three young teenagers who played the selection, with fine accomplishment and zest, were also having the time of their lives. And older pianists too will find they offer much of serious interest, not only for their exploration of unusual notation and techniques, but for the very close focus their deceptively simple surface demands.

As the Korunk zenéje has grown to maturity, its particular virtue has been both to present a remarkable quantity of new Hungarian music of exceptionally high quality—pause for thought indeed, to witness such vigorous and prolific growth, as often as not against all the odds, in a country whose total population is actually less than that of Greater London—and also in recent years to take remarkably comprehensive account of the whole spectrum of Hungarian new musical activity. How rich and diverse that spectrum is I have described here on a number of occasions during the past five years; and one of the notable assets of the Korunk zenéje has been an ability (and willingness) to reflect it.

It is generally agreed that György Kurtág, born in Lugos in 1927, a pupil of Sándor Veress and Ferenc Farkas and later in Paris of Messiaen and Milhaud, was the first Hungarian composer of his generation to break convincingly from the Kodály axis and discover a style wholly and distinctively his own. Kurtág was certainly one of the first composers of his generation to achieve recognition in his home country as well as notice abroad; and it was he who found himself trimming Cherubini's original score with one hand while adding recitatives with the other.

On Sunday evening in St. John's I listened to the original version, conducted by Antony

St. John's, Smith Square  
Cherubini's Médée  
by DAVID MURRAY  
The immensely taxing role of Médée—extended tessitura, enormous emotional range, cruel technical demands—was impressively taken by Helen Lawrence. She made the character fully vivid, and sounded stylishly purposeful even when tiring a little toward the end. Around the confident axis that she supplied, the luckless Jason and his stern father-in-law Creon were sung elegantly by Kenneth Bowen and Richard Robson. Fiona Dobie lent her fresh soprano to Dirce, Jason's intended, and Karen Shelby made much of Neris's great lament. "Ah, nos peines," restored to its noble original scale (a very staunch bassoon matched her with its sustained obbligato). The two maid-servants, fairly substantial parts, were upheld with comparable strength by Sara Morley and Paula Bott. Chorus and orchestra were alert, and Mr. Shelley—the conductor—seized the character of each number briskly. The case for Cherubini's own Médée (sung here in the original French) was excellently made out.

Serpentine

John Hoyland and the abstract

by WILLIAM PACKER



Part of the John Hoyland exhibition at the Serpentine Gallery

To many people, too many people, abstract painting still seems irredeemably obscure and difficult. The painter himself incoherently self-indulgent and more than likely a charlatan. Painting of a kind that has been with us for a lifetime and more is seen as dangerously advanced, its public display a provocation and its public acquisition a scandal. Why this should be so is more the province of the social historian than of the critic, and is certainly beyond the scope of a single newspaper article, but close to the heart of it lies our national literal-mindedness, a trait that in this case raises unreasonable expectations, and consequent disappointment. There is no formula for the easy understanding and appreciation of the visual arts, and the answer was, and to pin one's hopes in subject-matter is to miss the point.

It is a nice paradox that in hoping for an easy answer we make things unnecessarily difficult for ourselves. Painting is a subtle and profound craft, but access to it, given a certain sympathy and application, is not altogether impossible. John Hoyland is one of the best of our middle generation of artists, and by any standard a distinguished abstract painter, and to mark his retrospective exhibition now at the Serpentine (until October 28) the BBC made a film study of him. Those of us who know him, and know his work well, surely found it entertaining and enlightening, for we could get behind his defensive jocularity and off-handedness, and his apparently arbitrary and casual method, and see what he was getting at. But the world at large might not have been mystified and irritated, that is if it bothered to watch at all.

So another opportunity slips by, which is a great pity. The message can be stated very simply, and indeed Hoyland puts it very well himself in the catalogue to his show. Artists' statements are not always helpful, but Hoyland's deserves to be quoted at some length. "Paintings are there to be experienced, they are events. They are also to be meditated on and to be enjoyed by the senses; and felt through the eye. . . . Paintings are not intellectual.

they don't describe events, don't tell a story, they are not concerned with history, literature, science, theatre, mathematics, or movement; they are still. . . . Paintings are not to be reasoned with, they are not to be understood, they are to be recognised." Each of his insistent prescriptions may be challenged, certainly for painting can quite reasonably be and do all the things that he denies so forcefully; but what he says now holds perfectly true of his own work and a great deal else besides, ancient and modern. He is right to question the programming of art and the conditioning of its audience in advance of the work. A simple hedonism is no bad thing if by it we may learn to trust our senses, and ourselves to wait upon the event.

He does give us a great deal to enjoy, and it must now be said that those pleasures are not entirely sensual, for his paintings are far more thoughtful than his polemic might allow. The exhibition covers the past 12 years, picking up at a time when the American

example was almost overbearing, and Hoyland dutifully expansive; and the history unfolded over the subsequent years is one of the gradual discovery and then confirmation of a truly personal idiom. Hoyland was always his own man, but those paintings he made a dozen years ago stood well within a mid-Atlantic orthodoxy, large in format, the paint a fluid and lush acrylic, the imagery simple figures, planes and fields of colour set into a uniform ground. He could well have continued with this assured professionalism, but instead he broke from it decisively, retaining only the rectangular plane image, flat on and close to the picture-plane. The paint grew thick and dotted, often literally spattered on to the surface and splattered everywhere, to latest paintings of all, has been divided diagonally, a device that sprang from an experiment with a triangle replacing the quadrangle as the major figure in the painting, almost two years ago.

The freer, more recent work, some of it so new that it is not catalogued, is also the most exciting, and physically the most beautiful, oddly relaxed and at ease, showing a maturing artist

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# BRAZIL

The euphoria of Brazil's economic miracle has given way to warnings of tough times ahead. The country is at a watershed and events are moving fast as it tries to find a stable system free of authoritarian rule and to cope with social strains. Problems of the economy have to be tackled, including fast rising oil imports and a foreign debt of about \$50bn.

## Politics again a primary issue

By Hugh

O'Shaughnessy

Latin America Correspondent

EVENTS in the world of politics and economics in Brazil are moving with the speed of an express train and at times the visitor has to rub his eyes to make sure that he is in that same Brazil which seemed so ordered and disciplined only a decade ago.

The events of the past few weeks have included a strike by the bank employees of Sao Paulo during which a mob rampaged through the city's financial centre, rioting and breaking every pane of plate glass they could reach; and the resurrection of the National Union of Students, one of the bodies which was most harshly curbed after the military take-over of 1964.

Two veteran political leaders, Sr. Leonel Brizola and Sr. Miguel Arraes, who went in fear of their lives in 1964 and who have been living in exile for more than a decade, returned to Brazil and immediately became the centre of a nationwide political

debate. Belo Horizonte, capital of the rapidly industrialising state of Minas Gerais, was virtually under siege for a few days as the Government battled to halt labour stoppages.

The principal focus of attention for much of the increasingly outspoken Press has been the life and thought of Sr. Luiz Inacio da Silva ("Lula"), the charismatic leader of Sao Paulo's metalworkers. Lula had no difficulty in persuading his followers to down tools and demand better wages and conditions, halting production in the country's industrial heartland.

As a descant to the orchestrated activities of opposition political leaders and trade unionists, the Catholic Church has maintained a chant of criticism of the country's social structures. On the economic front the euphoria which characterised Government pronouncements during the years earlier in the decade when GNP was growing at an annual rate of 10 per cent has given way to warnings of tough times ahead.

The soldier who took over the presidency in March no longer wishes to be known as General-de-Exercito Joao Baptista de Oliveira Figueiredo, but rather "Presidente Joao".

Having taken over as a hardliner who wore dark glasses and appeared disposed to take the toughest measures against his opponents, he now appears to be a man who is able to keep up with the political changes in the country thanks only to the greatest nimbleness of mind.

Brazil is clearly at a watershed as the country's 120m inhabitants, tired now of a mode of development which appeared

to give too much emphasis to accumulation of resources and too little to their more equitable distribution, seek to fashion a new political and economic system for themselves.

There is no doubt that politics today have reasserted their primacy over any discussion of economic expansion in Brazil. The system created by the military after it closed down the political parties which existed at the time of the coup d'etat of 1964 no longer serves the purpose for which it was set up.

### Impatient

The arrangement under which a pro-government party, ARENA, was to rubber-stamp the decisions arrived at by the military and its civilian advisers in the Cabinet while a "loyal opposition" — the MDB or Brazilian Democratic Movement — was to give the illusion of a democracy on a British or U.S. model, has crumbled.

Benefiting from the injection of protest votes from an electorate impatient for change, the MDB has ceased to be a puppet and, like Pinochio, has taken on a life of its own. The quarry for the government now is how to control this new creature, which some of the military regard as more of a Frankenstein than a Pinochio.

The dilemma facing many of the critics of the military, who until recently were unhappy with such an artificial creation as the MDB, is whether to swallow their words and use the party to gain a grip on the reins of government or attempt to establish new parties which will inevitably take longer to group together for a determined

assault on the positions of power.

Opinions are divided. Lula is planning to launch a Workers' Party which would reflect the growing power of organised labour in Sao Paulo and other cities.

Leonel Brizola returned from exile with ideas of recreating the PTB or Brazilian Labour Party, the populist vehicle of President Getulio Vargas through which he dominated politics in the 1940s, while Miguel Arraes feels it is better to husband the force of the opposition in the existing structure of the MDB. Others are planning to create an uncompromisingly named Socialist Party.

For the moment nothing in politics is certain but the belief that change is round the corner.

What is making the political uncertainties of the moment all the more enigmatic is the fact that they are occurring at a time when Brazil's economic future is fraught with considerable difficulty.

The authorities are faced with a foreign debt which at the end of this year will amount to about \$50bn, the servicing of which is likely to consume up to two-thirds of the country's export earnings. Meanwhile, the bill for imported oil is rising by leaps and bounds and may perhaps touch \$7bn this year, or half the expected export earnings.

Forecasts for the return of the balance of payments are pessimistic. The trade deficit is expected to come to \$2.5bn—possibly more if the price of oil continues to rise rapidly and the growth in domestic oil consumption is not choked off fast. At the same time, the rise in

interest rates is making a mockery of the fine margins over LIBOR that Brazil is paying on its foreign borrowings. With six-month LIBOR rates now around 14 per cent, the debts service burden is becoming increasingly heavy. It is expected that the current account deficit could be as much as \$9bn in the red by the end of the year.

Inflation rates, which in the early 1970s, the government had got down to nearly single figures, are rising inexorably. Inflation in August came to 5.8 per cent and in the year to August the consumer price increase totalled 51.9 per cent.

Food prices rose more steeply than the prices of any other staple at 9.1 per cent in one single month, a particularly hard blow to the already-discontented industrial workers.

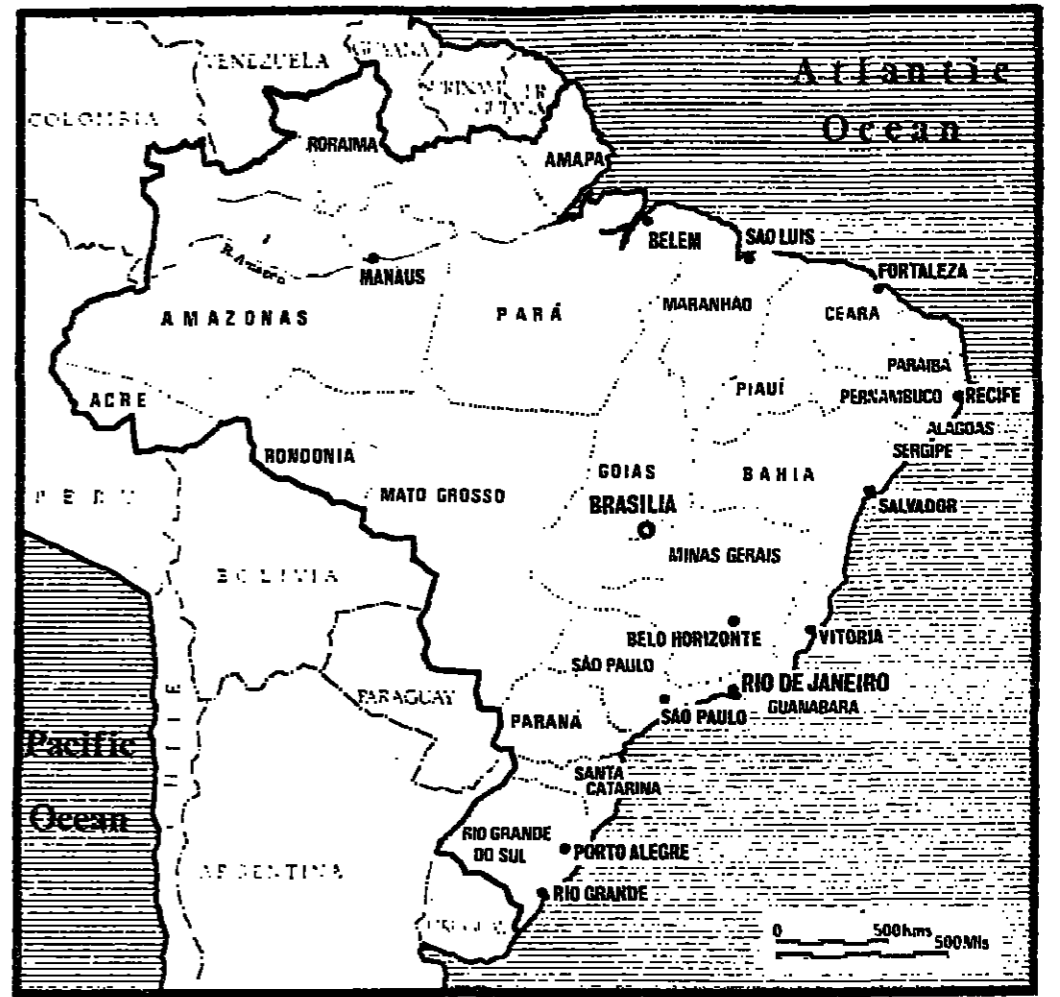
For this situation to be squared Brazil must continue to attract foreign funds in the form of loans and investments and must also continue to increase its exports rapidly.

### Debt

The faster Brazil grows, the bigger the import bill will be and the faster the foreign debt will pile up. The Government will be very lucky if the inflation rate is kept under 70 per cent this year.

And Brazil cannot opt for zero growth and economic vegetation. As Sr. Ernani Galveas, president of the Central Bank, commented in London earlier this month, there must be enough growth to provide 1.4m new jobs every year for the growing population. Without these jobs the social strains in Brazil would rise alarmingly.

Yet, can Brazil afford to



borrow more in order to finance this growth? Will lenders continue to put money into the country in the amounts it needs at a time when the political future is, as we have seen, increasingly problematical? The next two or three years will provide the answers to these questions, but meanwhile Prof. Antonio Delfim Neto, the principal architect of policy, shows no sign of wanting to slow the economy down.

In the year to mid-1979 manufacturing industry grew at the rate of 9.3 per cent, and Brazil is preparing to borrow a further \$1.2bn in a massive new syndicated loan.

The Government is gambling on the success of a strategy aimed at modernising the agricultural sector and making it very much more productive. If the strategy succeeds it could yield big dividends in the form of cheaper food for the discontented city dwellers, exportable surpluses to offset the crippling

oil bill, and a large number of those 1.4m new jobs.

But in order to raise the prosperity and productivity of the farm sector billions of dollars will have to be invested in farm machinery, new roads, railways and ports and in credits to farmers. It is unlikely to be as rapid a process as the government would wish and the imported items needed for a nationwide farm modernisation programme will certainly add to the problems of the balance of payments.

An agricultural revolution will have to put right decades of neglect of the farm sector and the sense of hopelessness that this neglect has engendered especially in the North-East of Brazil, the most backward region of the country, where nearly a quarter of the population lives.

If one particular agricultural idea succeeds, that of growing big new crops of sugar to convert into alcohol as a substitute for the petrol produced from

imported oil, the benefits could be particularly useful.

But the fact remains that the strategy is still a gamble and there are presidents of central banks in Latin America who are prepared to forecast that the gamble will fail as a result of the very severe strains it will put on Brazil's balance of payments. They prophesy that the dash for growth will be blunted and the country will have to live as best it can with a period of stagnation.

The understandable concentration of politicians, bankers and economists on the prospects for the next five years does, it must be said, obscure one fact and that is a very positive one: that Brazil, for all its problems, is a country whose agricultural, mineral and industrial potential is still a long way from being realised.

Whether this potential comes soon or is postponed for some years by the problems of the moment, Brazil's continued growth cannot be gainsaid.



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# Personalities in the government

## Helio Beltrao

ONCE A fortnight, Sr. Helio Beltrao strides into the Press briefing room of the Planalto Palace in Brasilia, seat of the presidency of the Republic, and happily submits himself to a battery of television cameras, microphones and reporters' notebooks.

As Minister extraordinary for matters of debureaucratisation, specially appointed by President Figueiredo to excise as much of the country's stifling red tape as possible, Sr. Beltrao knows each word he says is of supreme importance to the 130m paperwork-battered Brazilians.

He patently enjoys his mission. Buried in his modest office in the Planalto under a mountain of files, forms, letters from the public and suggestions for improvements, he emerges triumphant periodically, having eliminated another set of time-wasting processes.

Nothing in the hitherto spontaneously self-generating labyrinth is safe any longer from the bald, bespectacled, cheerful Sr. Beltrao, an economist by training and sometime Finance Minister.

He has spirited away 1,500 superfluous signatures from the president's jurisdiction, including authorisations for ministries to buy furniture, and relieved citizens of the obligation to present their birth certificates, residence certificates, taxpayers' certificates, economic dependence certificates, moral probity certificates and clean police record certificates to municipal, state or federal bodies whenever they need other documents.

Until now, Sr. Beltrao maintains, "our bureaucracy has worked on the principle that everyone is lying until a piece of paper proves him truthful. From now on, he will be assumed truthful, until proved guilty."

Having dealt death blows to certificate mania, Sr. Beltrao is now hacking away at 55 pieces of red tape that threaten to strangle businessmen seeking municipal operating licences, formalisation of contracts and other routine procedures. He hopes to spare businessmen innumerable trips a year to the local trade boards, not to mention costly outlays on paperwork or extra hands to cope with the multifarious forms.

So eager is Sr. Beltrao to tell a country struggling to rid itself of 400 years of accumulated red tape that relief is coming that if the Press fails to ask for details of his latest triumph, he exhorts them: "Ask me more. Ask me anything."

## Karlos Rischbieter

DESCENDANT OF 19th century German immigrants, Sr. Karlos Rischbieter, 52, rose to his present position as Finance Minister via an engineering degree, post-graduate studies in Europe and a grounding in the Parana State Development Bank, National Savings Bank and, before he joined the Cabinet in March 1979, presidency of the gigantic Bank of Brazil — the half state, half private body that fuels farming, small businesses and exports.

## Independent

Sr. Rischbieter, who has a loathing of unnecessary red tape, has been criticised for his independent nature and plain speaking by adepts of a system more accustomed to obedience to the hierarchy.

Using a sardonic sense of humour as a shield against criticism or pressure by rivals, he has stubbornly advanced tax reform proposals that will introduce death duties, near heresy

in a country of vast inherited wealth. And when bankers failed to comply with a gentlemen's agreement to lower lending rates, he ordered them to do so through the National Monetary Council, over which he presides.

He has also proclaimed that past voluminous Government subsidies to industry have bred a generation of businessmen keener on getting Government handouts than running their factories.

All this, plus his astute trading off of a Treasury department or commission in exchange for supervision of a new department, rather than let his space be occupied by the exuberant, powerful Planning Minister, Sr. Delfim Netto, makes the Brasilia rumour factory work overtime, having Sr. Rischbieter dead and buried when he is alive and lecturing out of town, or resigning when he is quietly beefing up his province.

Only time can tell whether his Germanic taste for efficient organisation and simplification, and general receptivity to the private sector—as long as it minds its ethics—can keep him in his position. Though not an easy man he is judged a fair one, but he has ambitious rivals whose high-level support may outweigh all other considerations.



While the government must bring the trade balance under control it also has to put its own economy under strains. Modern office buildings in cities such as Sao Paulo (left) contrast sharply with the shanty towns of the poor in shanty towns such as this one (right) or overlooking Rio de Janeiro and its harbour.

## Aureliano Chaves

BRAZIL, like the U.S., is a country used to regarding the presidency of the republic as everything in political terms and the vice-presidency as almost nothing. However, Brazilians have had to revise their ideas a little since Sr. Aureliano Chaves de Mendonça took over the job in March.

A conservative politician who has been used to getting things done, Chaves left his mark on the last job he had, governor of the fast industrialising state of Minas Gerais. Under his governorship the Fiat company settled into a big site outside Belo Horizonte, the state capital, and started to produce its range of vehicles.

## Plans

Complementary to that, plans were agreed and work started on another multi-million pound scheme: the construction of a new steel complex, Açominas, in which British banks and capital goods manufacturers are heavily involved.

The industrial history of Minas can never be written without extensive reference to the Chaves governorship.

It was to be foreseen that he would not want to while away his time with mere protocol when he took over the vice-presidency and Gen. Figueiredo, the president, gave him the task of co-ordinating action on one of

the most difficult tasks the country faces, tackling the fuel crisis.

As head of the newly-created National Energy Commission, Chaves works from an office in the Banco do Brasil and does his best to encourage the saving of imported fuel and the production by all feasible means of locally-produced fuel.

This is not a job which brings immediate nationwide popularity. The squeeze on the petrol user is having to be tightened up as the oil imports bill swallows up \$7bn a year half the money Brazil earns from exports. Petrol pumps are having to close at the weekend, the price of petrol is being raised sharply in real terms and locally-produced alcohol is being admixed more and more, with petrol for the motorist.

But Chaves presses on with increasingly ambitious plans to ease the imported energy bill, which he sees as the greatest challenge facing the government. Last month he brought together government representatives and the leaders of the motor industry who pledged to make the alcohol-driven car a common sight on the roads by next year.

If the vice-president succeeds in his job of cutting this bill Brazilians will have reason to be grateful to him and much of the rest of the world will be coming to Brazil to learn how they did it. But even then he will scarcely be popular with the ordinary motorist.

## Trade

CONTINUED FROM PREVIOUS PAGE

with them: 1,400 existing pieces of trade legislation. With "de-implication" Sr. Rischbieter hopes that businessmen can negotiate at speed, on their own merits, not the government's apron strings.

Concex will define trade policies and priorities in permanent consultation with the private sector, a new departure for Brazil—where, before, the government hand fed while its ears were largely closed to recommendations by competent private businessmen.

A great strength behind Brazil's manufactured goods, Sr. Vellinho feels, is the country's progress with local engineering and equipment know-how, adapted to Southern Hemisphere conditions and a large unskilled labour market.

These circumstances prevail in many developing countries. Therefore, to Sr. Vellinho, "universal" relatively simple machinery used in Brazil has considerable export potential: a more logical choice than capital intensive, highly-sophisticated, and expensively-maintained equipment sold by many industrialised nations, or engineering techniques that may not allow for local quick repair.

Closer recent attention to the Third World has made the balance of Brazil's trade slowly shift away from traditional partners such as the U.S. and the EEC. The industrialised world still means 64 per cent of two-way trade but this is a drop compared with the 73.5 per cent ten years ago.

Concex hopes to develop more sophisticated commodity trading, ensuring even greater sales regardless of oil crises. Brazil expects developing nations still to invest in infrastructures or basic industries. It sees engineering services and services-related machinery and equipment as a substantial growth area for visible or invisible exports to oil-exporting nations, the Latin American Free Trade

Association area, and oil-importing African and Oriental nations.

Recent successes in such areas have made trade negotiators realise much more can be done. Brazilian civil constructors, agro livestock enterprises consortia of manufacturers, or services companies have built dams in Central and South America, cheap housing in Algeria and sewerage systems in Libya. They have set up soya or livestock projects on the Ivory Coast and in Nigeria and worked on Nigeria's telecommunications systems and partly dredged the Suez Canal.

## Traditional

Apart from the U.S., with a small surplus, and Japan—with a large one from massive sales to Brazil of capital equipment—most industrialised countries, the Comecon bloc, Africa and the Far East, have trading deficits with Brazil.

Conversely and not surprisingly Brazil has a deficit with the Arab world of \$2bn. Ten years ago that world accounted for 0.3 per cent. How Brazil can break traditional supply barriers in most Arab countries, and sell more there, is not sure.

The Figueiredo administration is showing signs of more realism and less gung ho in its political and trade expectations. It faces the fact that currently Brazil represents only 2 per cent of world trade of \$1.3 trillion (million million), although it is the fifth largest country in the world.

It hopes to improve this ratio without wasting time, money or florid phrases. Sr. Vellinho and many other businessmen stress that much hard work needs to be done to catch up, but they welcome the new government's receptivity to the private sector's opinions as a very positive sign.

Diana Smith

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# Big banks consolidate

IN LAST APRIL'S package of government measures aimed to increase support for agriculture, the applications which Brazil's private banks are obliged to make in the sector at reduced interest rates were raised from 10 to 25 per cent of their current account deposits.

This is indicative of the government's concern to combat inflation by bringing resources out of the financial area and back into production, particularly in agriculture. Sr. Delfim Netto, planning minister who moved to take the portfolio in August, has rejected the predecessor Mario Henrique Simonsen's recessionist policies in favour of the so-called "option for growth," which will require even more effort on the part of the Brazilian financial community if it is to succeed.

When the National Monetary Council (CMN) decreed the reduction of lending rates by 10 per cent in August, it seemed that the government really had decided to take a stand on the inflationary effects of credit.

However, there was little indication of how banks were to reduce their rates: they had to wait more than two weeks for specific instructions from the central banks, by which time bankers were admitting in private that they had a number of ways of getting round the problem, such as raising the compulsory deposit which borrowers have to leave in their coffers.

Since the Figueiredo Government took office in March, there have been repeated declarations by Ministers of the need to "discipline" what Sr. Simonsen termed the "savagery" of the open market.

The market, which theoretically should be a government regulator of the money supply, has in practice always been used by government and private enterprise as a source of non-operational profits, and so has become inflationary rather than an instrument for fighting inflation. The one obstacle to open market changes in the initial line-up of the administration was the Central Bank president, Sr. Carlos Brandao, who was responsible for setting up the market in 1968.

However, with Sr. Brandao's exit from the post, at the same time as the change of Planning Minister, the way seemed clear and a mood of nervous expectancy should be detected among market operators. When the package finally came, on September 19, it was received with considerable relief.

While reducing the possibility of individual speculators operating on the market by increasing the price of LTNS (National Treasury Bonds) and lengthening their duration, the package did little to interfere with the operations of the major financial institutions in this area.

The most significant anti-inflationary measure taken by the CMN was the creation of a clearing house for Treasury papers. This will greatly reduce the inflationary flow of these bonds, since it eliminates the use of cheques in open market operations and speeds up the compensation process.

### Measures

At the same time, other measures were taken in what seemed to be a conciliatory move by the authorities, the minimum period for deposit accounts was returned to its pre-April level of 180 days, having been raised to 360. The measure was known to have been unpopular with investment banks, which rely on such accounts for the bulk of their resources.

As a whole, the CMN's latest package was well received by the financial community. Sr. Mandel de Souza of the national association of open market thought that the measures were positive ones, although he admitted that "they will require a considerable effort on the part of smaller institutions."

This is because a new minimum capital requirement was introduced: for partial operations on the market, an institution must have at least Crs 20m (€0.3m) and Crs 30m (€0.5m) for full activities.

One broker went further than Sr. De Souza and commented that "the selective criterion of capital reveals the concern to limit the activities of smaller, independent institutions, benefiting the big banks, which will continue to do just as they like... things are getting increasingly difficult for non-bank entities."

If this opinion is correct, the CMN measures represent a further move by the Brazilian government to encourage the concentration of activities in the financial sectors, on the grounds that it will be a stronger, more solid area as a result. Certainly the private banking sector has undergone numerous mergers, with 219 banks going out of existence since 1968. This has

led to a consolidation of the country's biggest banks, such as Bradesco and Itau, which have stepped in to buy up the disappearing smaller institutions.

Life has been made difficult for the small bank in a number of ways. One is the restriction on permission to open a branch. For a bank to open a branch in a profitable area, i.e. a major urban centre, it must undertake to open another so-called "pioneer" branch in an underdeveloped area determined by the government.

Such branches are "highly unprofitable in the short term, so that only the big banks can afford such ventures. The only other alternative for a bank to expand its branch network is to buy another bank, again an option open only to the major institutions."

The consolidation of the country's biggest banks has also led to the formation of conglomerates, groups of banks and financial houses operating under one name in a number of areas. This tendency has increased as government controls have limited the traditional sources of a bank's funds.

Every conglomerate now has its investment bank. These institutions were originally set up to finance long-term infrastructure projects—the private sector's answer to the State-run development banks. However, while the latter—and particularly two huge development banks—have largely fulfilled

their designated tasks, the investment banks have increasingly moved into short-term operations identical with those of their sisters, the commercial banks, which head the conglomerates.

The highest participation of long-term loans in the sector's operations was in 1978, when it reached an insignificant 7.1 per cent. While their short-term operations make them indistinguishable from the ordinary private banks, however, they offer a number of other advantages. First, they are the only banks which can issue bank deposit certificates, papers very popular in open market activities.

Second, they can have up to 33 per cent of their voting capital controlled by foreign banks, an important concession in a country where the latter's entry is strictly limited in all other areas. The investment banks have come to be viewed therefore as the point of penetration for foreign financial institutions.

As for the development banks, only two are of any importance: the National Economic Development Bank (BNDE) and the National Housing Bank (BNH). Both handle enormous amounts of federal resources. The BNDE's annual report for 1978 indicates that the bank's total outlay for the year was \$4,099bn, greater than those of the World Bank. At that time, the BNDE's capital

plus assets was \$3,773bn, exceeding that of the Bank of America, the world's biggest bank.

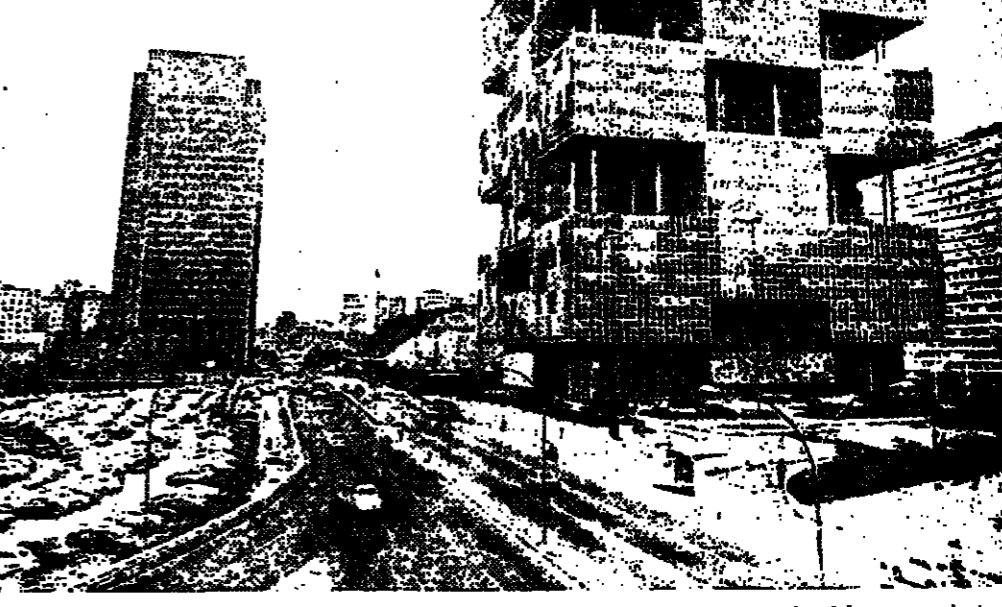
The bank has more than \$2bn worth of participation in companies in all areas of production, from Mafersa, a metallurgical company, through Caraiiba Metais, a mining operation, to the Companhia Editora Nacional, a major publishing company.

According to Sr. Luis Sande, the BNDE's president, the bank will now move gradually into agriculture and agro-business, with financing outlay of Crs 5bn (€900m) in 1979, increasing annually until 1984, when it will reach Crs 108.6bn (€1.6bn).

The BNH is the recipient of the massive guarantee fund paid by employers on the basis of workers' salaries. Eight per cent of all wages are paid into the fund annually. The BNH is also moving into the country, where it will finance the construction of the "economy house" for rural labourers.

The price the private banks have had to pay for a prolonged period of virtually free operation on the open market is a high level of state interference, not only via competition by state-run banks but also by restrictions on the bank's capacity to attract deposits. As a result, the conglomerates have been moving into new areas to find alternative sources of income.

Thus it is now estimated that about 40 per cent of insurance companies are controlled by



Part of the banking quarter in Rio de Janeiro, with the Petrobras building (right) and the National Housing Bank on the left

banks, and the top ten leasing companies with 76 per cent of the market, all are part of banking conglomerates, either Brazilian or foreign. The biggest company in the sector is Manufacturers Hanover, a subsidiary of the fourth biggest commercial bank in the U.S. The company leased goods to the value of Crs 2bn (€30m) and controls 20 per cent of the market in Brazil. Leasing and insurance were defined by one banker as

"the areas of greatest expansion for banks in the immediate future."

The other trend many observers predict for this year is an increasingly direct participation by banks in financing industries and agro-businesses. The idea of closer co-operation between finance and the productive sectors was proposed by Sr. Netto shortly after his move from the Ministry of Agriculture to that of Planning.

suggested the formation of conglomerates of banks and industries in the national cause of increased production to counter inflation.

This idea was received with little enthusiasm, however. As one observer put it: why should the banks take on the responsibility of ownership of industries, and lose them as customers?

Rik Turner

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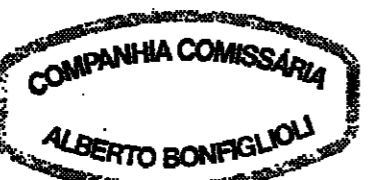
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BRAZIL VI

Ambitious plans for alternative fuels

BRAZIL MUST import 45 per cent of its energy needs. This means about 1m barrels a day of crude oil...



The Volkswagen car assembly plant at Sao Paulo. Government representatives and motor industry leaders have pledged to make the alcohol-driven car a common sight on the roads next year

With a 2.5 per cent annual increase in population (now 120m) and rapid industrial development, Brazil's oil derivative consumption has grown at about 8 per cent a year...

average planted area of 12,500 acres. Average investment in each unit runs at just under \$1m...

a traffic and pedestrians nightmare. Petrol rationing has been suggested but the authorities view it with reluctance...

Practical

While everything from solar through wind to tidal energy is being looked at, Brazil's most practical and ambitious plans for alternative fuels for industry and transport lie in two areas...

The 81 distillery projects approved since 1975 are keeping one branch of the capital goods industry at full stretch. Future plans allow room for new manufacturers...

Some Brazilian driver respond to the alcohol vehicle vogue with the sticker "Only the driver runs on alcohol."

Diana Smith

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Table with financial data for PETROBRAS. Includes sections for ASSETS, LIABILITIES, and CONSOLIDATED STATEMENT OF INCOME. Columns for 1979 and 1978 (Reclassified).

The idea is to develop this natural potential to the full and use alcohol as a motor fuel. In a mixture of 80 per cent low octane petrol and 20 per cent alcohol already used nationwide...

Efforts

So far cane has been favoured, because manioc is a cottage crop, often inefficiently farmed. Nevertheless a pilot manioc alcohol plant set up in Minas Gerais state has given interesting results...

مركز من الاصل



BRAZIL VII

# Union movement grows

BRAZIL IS emerging from 14 years of military rule, during which time the "Brazilian economic miracle" was performed. The economy reached growth rates of 10 per cent per annum at the turn of the decade and might have continued at this rate but for the 1973 oil crisis. However, the cost of the miracle in social terms was high.

Brazil's military rulers inherited a set of labour laws inspired by Mussolini's Fascist legislation in Italy and these they strengthened and enhanced. Workers found themselves faced with corporatist unions totally subjected to the

state, annual wage agreements in which increases were decreed by the Government according to a never-revealed "scientific" formula and strike legislation that made it all but impossible to use industrial action.

As a result, the purchasing power of wages decreased by more than 100 per cent in ten years, a fact admitted even by employers' associations, and in 1977 it was revealed that the Government had manipulated the figures for inflation in 1978, so that wage rises in that year were not in keeping with the cost of living.

Over the last two years, however, the union movement has

been growing in strength and audacity, so that today there is a considerable discrepancy between the letter of the law and the reality of the situation. While strike law remains unchanged, strikes have become an everyday occurrence.

Brazil's most important unions, the metalworkers in the industrial zones around Sao Paulo (including all the major car companies), went on strike as the new government took office in March this year, after two weeks of unsuccessful negotiations. Sr. Murilo Macedo, Labour Minister, declared the three unions under intervention, a legal instrument com-

monly used by authoritarian regimes in Latin America whereby the State ousts elected leaders and replaces them with its own men—usually military officers.

Sr. Luiz Inacio da Silva, or "Lula," the ousted president of the biggest of the three unions, reassumed control of the movement after two days in the capacity of what he termed the "de facto leader" of the workers.

Since the metalworkers, a number of other sectors have gone on strike. Sao Paulo local government workers, bus drivers, car workers at the FIAT diesel factory in Rio de Janeiro, doctors, journalists and teachers.

A strike by construction workers in Belo Horizonte, the country's rapidly-expanding third industrial centre, led to a situation of virtual civil insurrection at the beginning of August, with an estimated 20-50,000 men taking to the streets of the city centre and creating havoc, smashing shop fronts and burning cars. The fracas resulted in one death, when a worker was hit in the chest by a teargas bomb.

The government has shown itself willing to revert to a hard line throughout the year although, according to informed sources, President Figueredo's Cabinet was against the decision to intervene in the metalworkers' unions, with the exception of one member: the head of SNI, the military security organ in which the President himself began his career.

In September, a bank employers' strike in the southern capital of Porto Alegre brought intervention and the imprisonment of all 16 leaders of the union.

As the redemocratisation process opens spaces for parties on

the Left workers and labour leaders such as Lula have received overtures from politicians eager to incorporate them into their particular group. There has been much speculation especially with the return from exile of political figures such as the former State Governors Sr. Leonel Brizola and Sr. Miguel Arraes, and the central committee of the Communist Party of Brazil.

However, it would seem the workers have decided to go it alone. This month will see the first meeting to articulate the formation of a Workers Party, which will count on the membership of Lula and the metalworkers, and the logistic support of the respected inter-union data centre and study group, Diessa.

## Trend

The Government, meanwhile, is preparing new legislation, beginning with a law on wage rises, timetable for the beginning of November.

This law is considered by workers and employers alike to be a backward step in terms of economic democracy. It reaffirms the role of the state, introducing six-monthly wage increases based on inflation indices, when the trend over the last two years has been increasingly towards direct negotiation between the two sides in industry.

However, with a congress where the Government party has a majority despite having received a minority of votes in last November's election, the law is likely to be passed. To what extent it can be imposed within the context of a redemocratised Brazil is another matter.

Rik Turner

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# Soap operas grip TV audiences

AFTER WEEKS of bewilderment, I think I've got the gist of "Os Gigantes"—the Giants—the latest six-month long, multi-million dollar, prime time novela aired six nights a week by TV Globo.

Loosely "novela" means soap opera. Rather than soap TV Globo's up-market commercials sell cars, clothes, cigarettes, whisky and luxury flats.

Globo—Brazil's most popular network—shows three novelas a night, at six, seven and eight o'clock.

Eight o'clock brings the blockbuster that holds tens of millions of Brazilians to their screens with hooks of passion or, if ratings slip, murder and mystery.

Sprinkled with myriad subplots and sub-characters, "Os Gigantes" is about Paloma, a feverish 40-year-old heiress from the tiny interior town of Pilar. Not only is she single, she is a foreign correspondent in Rome. Was, that is. She abandoned Rome for Pilar, where she wreaks havoc, pilots her Piper Cub, chats to her ageing father and suffers flashbacks to childhood.

Fernando and Francisco, both dairy farmers, have lusted after Paloma since puberty, so far with little progress beyond fiery glances and ditto kisses. Nevertheless, Fernando's wife and Francisco's fiancée are furious.

Francisco has a problem (apart from a painful passion for Paloma): His cows have foot- and-mouth disease. Further, the fearsome foreigner Edgardo Novak has opened a branch of the mighty milk multi-national, Welkson, putting Fernando and Francisco's small-scale dairies at risk.

Meanwhile, Paloma's heritage is threatened by sinister sister-in-law, Viridiana, widow of Paloma's brother Fred on whom Paloma pulled the plug to put him out of the agony of terminal cancer. Viridiana wants the ranch and she has decided that Paloma is a certifiable lunatic because her morals are loose.

This drama unfolds in glorious technicolour if you can afford \$800 a set. Some people can: more than 500,000 new

colour sets were sold last year. Meanwhile, much of the submerged third of the population living on less than \$70 a month—40m people—goes without proper food to pay hire-purchase on their TV sets. What they think of the likes of Paloma and the glossy commercials that punctuate the heavy breathing remains to be polled.

The procession of fantasy-fueled novelas such as "Os Gigantes" has heated the screens for the last 15 years. The more improbable the plot, it seems, the more Mrs. or Miss Rio de Janeiro, Sao Paulo or Curitiba sighs, eyes her husband or boyfriend and wonders why he cannot match up to fuming Fernando.

In 1979, however, something close to realism is infiltrating TV Globo. The one-time 10 pm novela slot has been filled by three-weekly series, rising like ruffled phoenixes from the ashes of dotty fantasy. The protagonists are a financially-crippled, thorny, middle-aged divorcee, a sagging, bad-tempered, middle-aged reporter, and two scruffy, foul-mouthed long-distance lorry drivers.

If anyone forgets the name, at regular intervals scantily-clad ladies with gaudy feathers burst on screen yelling "Fantastico" and forming the shape of a scorpion. Don't shoot the art director, he is doing his best.

Having hooked Brazilian housewives and husbands for years, the novela is now traveling abroad. First to Portugal (logical, the language is the same) with the TV adaptation of Jorge Amado's earthy "Gabriela," a minor Brazilian classic, which in 1977 brought Lisbon and other parts of the country to a halt at eight o'clock sharp nightly.

After the wildly-successful "Gabriela," Portugal saw less meaty Globo novelas more typical of computer programmed plots drawing lugubriously on guilt, religiosity and astrology. Portuguese ladies, considerably liberated after the events of April 1974, were not impressed.

Dubbed into Spanish, the novela moved on to Mexico, thence to New York and the Puerto Rican TV channels.

Lately, it has penetrated even revolutionary, Portuguese-speaking Angola, apparently taking the people by storm.

Back home on TV Globo, something else besides novelas is grabbing viewers: the weekly "Planeta dos Homens"—Planet of the Men—starring the once-muzzled caricature Jo Soares, a leading Brazilian comic.

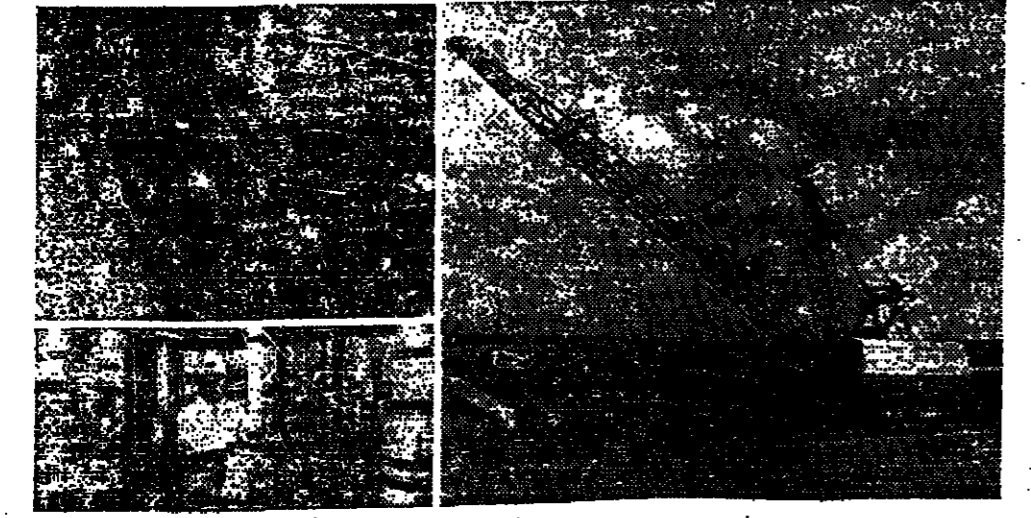
Soares' favourite target is the exuberant Planning Minister, Sr. Antonio Delfim Netto. Taking Sr. Netto's middle name, Delfim, which means dolphin, Soares has given viewers "Dr. Sardine" who wants "Plans, more plans, give me plans. Planning is my business."

Hardly a year ago, this cheerfully guying would have sent Jo Soares down for *lese ministere*. A year ago, indeed, television was still a tied vehicle for direct or indirect pompous State propaganda.

But times have changed. The Brazilian people are being allowed to grow up and learn to assume their responsibilities and rights. It seems that one major right is freedom from anaesthetic television.

Diana Smith

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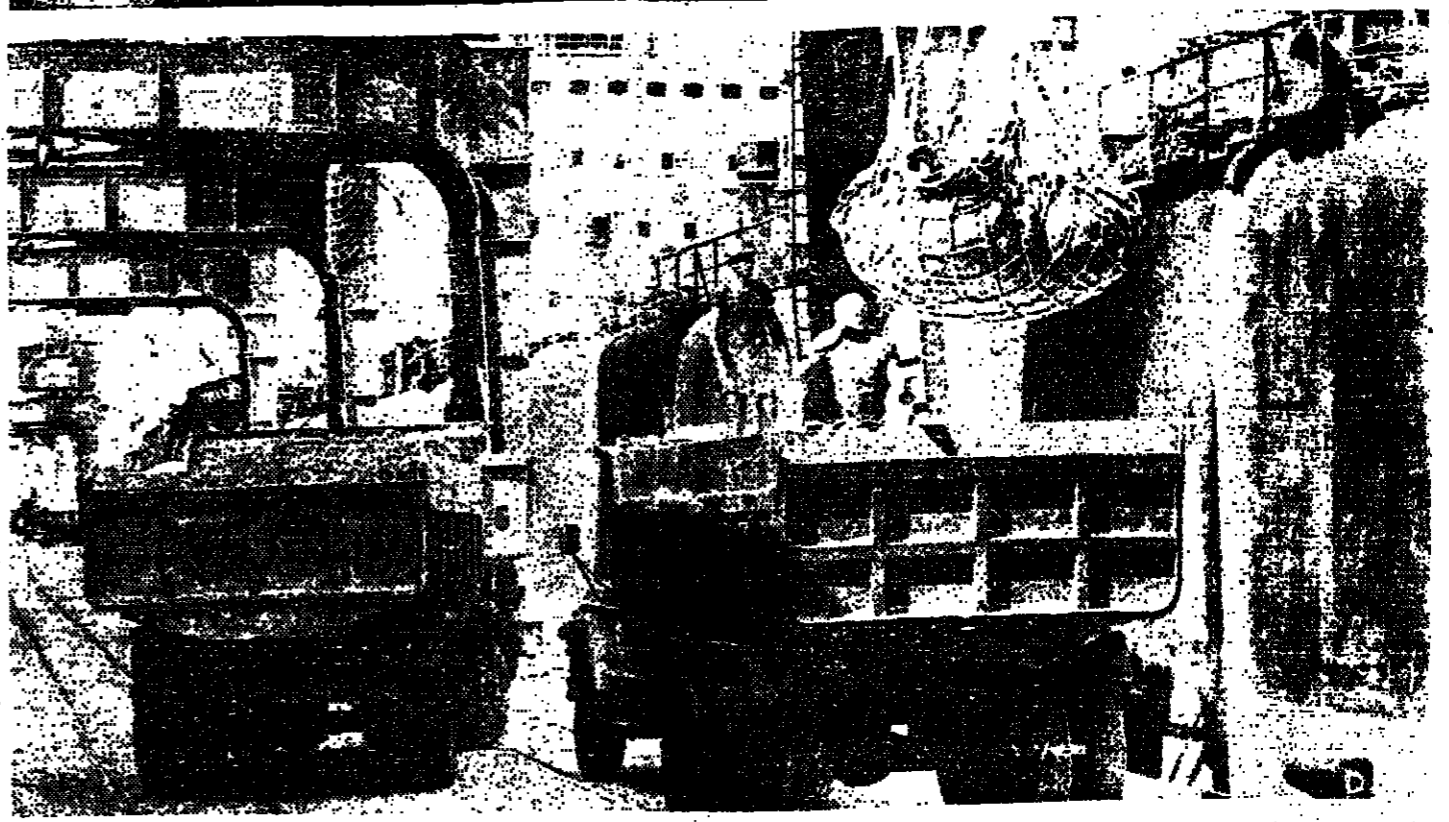
Who could believe in the success of such a pioneering step? Souza Cruz did - and carried out research, developed techniques, encouraged farmers.

The result: leaf tobacco exports have become an important factor in Brazil's balance-of-trade.

In 1979 alone, Souza Cruz will bring into Brazil about 72 million dollars of foreign currencies. But the story doesn't end here. We still have a lot of leaves to grow.

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BRAZIL VIII



Sugar for export is loaded in the docks at Recife

# Agriculture given a high priority

THIS YEAR was dubbed The Year of Agriculture by the Government of President Joao Baptista Figueiredo when it took office in March and to underline the sector's newly-acquired importance, the Ministry of Agriculture was put into the charge of Sr. Delim Netto, the economic brain behind Brazil's "miracle" of the late 1960s and early 1970s. Since then Delim has moved upstairs, replacing the more recessionist Mario Henrique Simonsen as Minister of Planning at the beginning of August. Nonetheless, the Government's emphasis on agriculture is unchanged, and Sr.

Delim's replacement at the ministry, Sr. Amaury Stabile, is known to think along the same lines as his predecessor. An "agro-package" of government measures in May was the first of a series of moves to increase support for the sector. The objectives were bumper crops to help Brazil's ailing balance of payments by both decreasing imports such as wheat, corn and rice and increase the country's traditional agricultural — coffee and soya. Agriculture is being given a high priority and to feed Brazil's expected 120m population by the end of the century. It is also hoped that a strengthening of agriculture will reverse the problematic trend of migration from the country to the already over-populated and over-strained urban centres.



Cows being vaccinated. Livestock projects designed to aid Brazil's ailing beef industry have not proved particularly successful.

Actually, this year the Rio de Janeiro Stock Exchange is celebrating 102 years of stock-exchange quotation activities.

For the operators, these 102 years have voiced yells to the bearer shares, preferred screams, nominal shoves.

For the investors, the Stock Exchange's history has shown that these 102 years have delivered sure and guaranteed profit.

And for the Rio de Janeiro Stock Exchange itself, this century revealed great victories.

For instance:

The BVRJ (Rio de Janeiro Stock Exchange) has, today, 60% of the national volume of negotiations, trading stocks of the most important companies in Brazil.

The Rio Stock Exchange has earned its place as a member of both the FIBV-International Federation of Stock Exchanges and the Spanish-American Stock Exchange Federation. And this is not all. The BVRJ is the Stock Exchange which offers investors and brokers the most services, such as, for example, custody, ANA and it is also the one which is equipped with the largest number of Video Terminals. These are 200 sets, leased throughout the country.

All this has been achieved from the most serious and consistent work performed over this century of vociferation.



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# Besides yelling screaming and shoving lots has happened over this last century of stock-exchange transactions.

The May package was basically a series of measures expanding and facilitating the financing of agricultural activities, particularly those of the small and mini-producers who are still responsible for the bulk of the country's agricultural production.

These measures included the removal of limits on agrifinancing by the Banco do Brasil, an increase in resources available to producers' co-operatives (from £1m to £8m), an increase in investment obligations for private banks in the agricultural sector from 10 per cent to 25 per cent of their total deposits.

Then in August came the next important step: the National Monetary Council raised the minimum support prices on all agricultural products. Those prices are a major factor in a grower's planning of his strategy for the coming year, and the move was an incentive to grow more.

According to Delim, the Government's policy is that "everything planted will be financed, and everything harvested will be bought."

### Efficiency

There are a number of special projects under way which are also intended to increase agricultural efficiency. One is the cerrado utilisation project, which seeks to put to use the "cerrados," savannah-like areas until now left untouched. The project is to be carried out by a joint venture involving a Brazilian company Brasagro and the Japanese Development Company, and will be financed by a £12m loan from the Japanese International Co-operation Agency, and a syndicate of 16 Japanese banks.

Another project is the Soya Railway to be built over the next six years. It has been decided so far that the railway will link Cascavel, in the heart of Parana State's soya-producing area, with the port of Paranaguá. A stretch of over 300 km, from Guarapuava to Curitiba, is already built, leaving another 400 km of track to be laid.

Still to be decided is a further western stretch, from Cascavel to either Foz de Iguaçu or Guaira on the Paraguayan border, and there is even talk of an extension to Asuncion, Paraguay's capital. As to the financing of the railway, to be built specifically to facilitate the movement of the country's second biggest export, a Japanese trade mission visiting Brazil in August showed interest in providing a \$215m loan.

The Government has thus succeeded in creating an atmosphere of expectation about agriculture, and it does seem that there will be an expansion in the area cultivated for the coming harvest. There is an average expansion predicted of 10-15 per cent, with bigger figures for some crops, a 66 per cent for soya, 55 per cent for rice, 36 per cent for corn.

The demand for seeds (another indicator of increased

planting intentions) is up 38 per cent on last year for soya, 27 per cent for almonds, and no less than 179 per cent for beans. The tractor industry, after a bad start to 1979, was greatly assisted by £35m in extra credit facilities granted by the Government in May, and is now in the embarrassing position of being unable to meet all the demand, which always increases at this time of the year. Few tiller imports have reached an all-time national record in the last month.

Thus the scene is set for bumper crops in 1980, after two years of extremely poor performance by the agricultural sector. Next year's coffee crop would have been a bumper, around 20m bags, but for frosts at the beginning of June which frustrated not only this year's crop, but represents a setback to the country's coffee strategy. The Brazilian Coffee Institute had been boosting coffee production in Minas Gerais, so that this state, thought to be frost-free, could take over the premier position from Parana, which was hit by severe frosts in 1978.

This year's frosts affected about 34 per cent of Brazil's coffee plant population, cutting down the Minas crop for this year by 10-15 per cent, and the 1980 crop by 50 per cent. The recuperation programme, which allotted £147m to the state's planters, will take three years to bring production up to the pre-frost level.

The last two years have been ones of setbacks for much of Brazil's agricultural production. Apart from the frosts in Minas Gerais, a series of droughts and heavy rains in the southern state of Rio Grande do Sul and floods in Bahia and Espirito Santo have frustrated crops of coffee, beans, soya and corn.

The one bright spot in 1979 is an anticipated bumper crop of wheat, originally put as high as 4.5m tonnes before frosts in September forced a downward re-estimate to about 4m tonnes. However, it is pointed out that wheat has benefited from a £30m subsidy in recent years, expanding at the cost of other crops, and even so about 2m tonnes will have to be imported this year. However, it is rather the lack of infrastructure which is concerning experts now. There are not enough roads, railways, vehicles, warehouses, silos and port facilities, and it may be that full advantage cannot be taken of any bumper crop in 1980. Ten per cent of Brazil's corn crop is lost each year due to poor road conditions. The main problem next year may well be lack of storage space at the farms.

According to Sr. Willy Fink, director of the Brazilian Association of Silo Manufacturers, there will be serious problems if the country's total crop next year exceeds 50m tonnes, as this is the country's present storage capacity. The other major question in Brazilian agriculture this year

is the expansion of the alcohol programme, or proalcool as it is called. Brazil is seeking to dispense with a considerable amount of her petroleum imports by developing ethyl alcohol as alternative fuel. The present objective is to raise the country's annual production to 10bn litres and it was recently announced that this year Brazil is to export alcohol, since she will produce 3.8m litres in 1979.

The only fears of technicians from the Sugar and Alcohol Institute concern other crops, which may be neglected in the rush by producers to benefit from the generous credits and incentives offered by proalcool. As one put it, since alcohol is becoming the new petroleum, a lot of growers, especially in Sao Paulo State (responsible for 44 per cent of this year's production) are starting to see themselves as sugar shakels.

Apart from the problems of agriculture in Brazil's coastal states there exists still that other reality which is the Amazon region, where successive Brazilian governments have implanted schemes which were to open up the country's last remaining frontier for colonisation and turn it into a vast source of land for crops and livestock.

### Incentives

First there were the huge livestock projects, with foreign companies such as Volkswagen and Liguigas being given fiscal incentives to participate. A total of 350 projects have been opened up since 1966, covering an area of 7.9m ha, 7 per cent of which are controlled by foreign capital. Liguigas has about 500,000 ha and Volkswagen a further 100,000 ha, but such projects, involving large herds of cattle designed to aid Brazil's ailing beef industry, have not so far proved particularly successful—so much so that many big companies have pulled out in recent years.

The most notable exception is the Jari project, a major development of more than 2m ha owned completely by the American businessman Daniel Ludwig. Mr. Ludwig's project is a many-sided one, involving livestock, cellulose, kaolin, and rice, 140,000 tonnes of which are produced in three annual crops. However, this is so far destined exclusively for the project's 30,000 inhabitants.

In the Agrovilas, the colonists (poor farmers from other regions, such as Parana, Rio Grande do Sul, of Brazil's poor north-eastern region) plant beans, rice, corn and mandioca under a scheme designed by the National Institute for Colonisation and Land Reform. But experience has shown that the villages were frequently allotted infertile land, forcing the Colonos to move on. So far, Brazil's agriculture has failed to provide an answer to their problems.

Rik Turner

مكتبة الامم المتحدة





If you were a designer 8 years or so ago you had it pretty easy. The general aim was to make things look nice and perform reasonably well. If they lasted too then that was a bonus. If not - then they could always be junked for scrap.

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Energy and raw materials are limited; we must use them both wisely. Corrosion costs the country more than the total annual sales for the UK vehicle industry. 70% of new cars on British roads are company-owned. Many of these companies as well as private owners now question the wisdom of having so much capital tied up in assets which literally diminish. All of which explains why so many of today's designers, engineers, specifiers and buyers are looking afresh at stainless steel.

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# Best buy of '71





UK COMPANY NEWS

Companies and Markets

McCleery L'Amie falls to £34,000 midway

STATIC turnover, the impact of the transport strikes in the early part of the year, together with increased depreciation and interest charges have led to a disappointing half year for McCleery L'Amie Group, the directors state. Profits, before tax, for the period ended June 30, 1979, slumped from £297,000 to £34,000 on a turnover of £9.36m (£9.27m). And Sir Desmond Lorimer, chairman, says the rest of the year is likely to be difficult. However, the closure of a loss-making section together with the future retrenchment in the synthetic yarn side, should enable the group to weather the effect of current world economic conditions on the synthetic fibre and yarn industry, he adds.

before a tax credit of £20,000 (£141,000 charge). In June it was decided to cease manufacturing at Belfast Rope-work but to continue merchanting ropes and twines. Closure costs in the second half of the year will be significant, directors say, although the substantial losses (£147,000 for the half year) will be eliminated. Within the textile division Sir Desmond states that the natural fibre section continues to perform well, "but we are concerned as to the future of synthetic yarns, where competition remains fierce and recent large increases in labour and other costs cannot be recovered from current selling prices." The carpet division remains profitable, he says, in spite of intense competition from the U.S. which, in response to strong sterling and greatly aided by relatively priced petroleum based raw materials, has over the past few months taken a large share of the UK tufted carpet market.

Table with 2 columns: Item, 1979, 1978. Rows include Turnover, Trading profit, Depreciation, Interest, Profit before tax, Tax credit, Profit after tax, Preference div., Attributable, Interest ord., Reserves.

R. Pullman set for expansion

Proceeds from the May rights issue have put R. and J. Pullman, clothing retailer and manufacturer, in a strong position to finance growth both internally and by acquisitions, says Mr. M. A. Hope, the chairman. Also demand for all the

group's manufactured products is running at a high level and, as indicated when reporting the results for 1978-79 on August 24, a satisfactory outcome is expected for the current year, he states. For the 13 months to April 30, taxable profit jumped to £1.54m, compared with £1.06m for the previous year. Of the total manufacturing improved to £1.3m (£1.14m) and retailing recovered from a £62,000 loss to £236,000 profit.

At year-end total borrowings had reached £4.56m (£3.3m) and cash amounted to £794,000 (£764,000). However, the effect of the rights issue was to eliminate the £1.81m bank overdraft leaving borrowings at £2.75m and cash of £1.96m. With the two latest acquisitions, Alldae Maternity Wear and Skincraft, well integrated into the group, further expansion is planned. At Skincraft negotiations are under way for several new branches and three will be opening later in the year. The group's corduroy division returned a more profitable level last year and seems to have recovered from the severe setback seen earlier, Mr. Hope says. On October 8 Pullman As known the net dividend is stepped up to 6.97p (6.09p) and a six-for-five scrip issue will enable the company to gain trustee status. Meeting, 13, Maylebone Road, NW on November 23 at noon.

Nathan up to £0.3m so far

TAXABLE profits of R. and I. Nathan, furniture manufacturer, rose from £236,000 to £302,000 in the half-year to June 29 1979, an increased turnover of £4.35m, against £3.47m. Mr. J. Nathan, chairman, says current demand remains satisfactory, and he expects full-year figures to show a continued improvement. For the whole of 1978, the pre-tax surplus reached £853,339 (£863,375). He adds that incoming orders are very quiet, but the group has a good order book. He is concerned about prospects for the first part of next year in industry terms, but the group is well prepared, he says.

The group has bought extra factory space next to its Edmonstone works. Acquisition costs and renovation are being met from cash flow generated by profits. Further expansion is being considered, the chairman adds. The net interim dividend is raised from 1.1p to 1.4p—last year's total was 3.63p. Earnings per 25p share are shown to have increased to 7.34p (6.13p). Tax took £157,040, compared with £122,720. The charge has been calculated at 52 per cent, and the directors say this makes an over-provision which will be corrected at the year-end in the light of circumstances then prevailing.

is reported by Trident Life Assurance, a member of the Schlesinger Group. Single premiums in the six months to September 30, 1979, advanced by 72 per cent from £3.55m to £11.28m and annual premiums rose by 53 per cent from £1.72m to £2.63m. The company's Property fund was the most popular for investment medium with 42 per cent of new money being put into it. A further 24 per cent was invested in the gilt edged fund. There was a lively demand for the 12 per cent Guaranteed Income bonds from the over-45s while the under-50s were interested in the 12 per cent Guaranteed Growth Bond.

Lloyd's Life premium sales jump

SALES OF new regular premium business at Lloyd's Life Assurance were up almost 100 per cent on an annualised basis from £1.8m to £3.5m for the year ended September 30, 1979. Single premium was £15m, compared with £12m previously and of this business over £12m was from unit-linked bonds.

A major growth area was directors' pension plans. An individual fund has recently been added to the basic directors' plan enabling companies to utilise the whole of the accumulated pension fund to buy property, or to make loans of up to 50 per cent of the fund.

Buoyant first half for Trident Life

Buoyant new life business in the first half of its trading year

Reduced interest charge boosts Berkeley Hambro

ALMOST ENTIRELY due to a £0.82m reduction in interest charges, pre-tax profits of Berkeley Hambro Property increased from £1.03m to £1.97m for the first six months of 1979. The fall in interest, from £1.34m to £0.42m, follows the repayment of short-term currency borrowings from the proceeds of overseas property sales.

Mr. Jocelyn Hambro, the chairman, says the company will continue to benefit from reduced interest charges, but, following the pattern of last year, it is unlikely that the same high level of dealing profits will be repeated in the second six months. First-half dealing profits improved from £475,000 to £490,000, while rental income was lower at £2.81m (£2.82m). Management services income progressed by £32,000 to £265,000. Earnings per 25p share, before extraordinary items, rose from 4.61p to 7.56p, while the interim dividend is stepped up to 2.5p (1.75p) net.

Total group borrowings, all sterling, amount to £8.75m—these are long term at fixed rates of interest, the highest being 9 1/2 per cent. First half 1978 1979. Rental income 2,810 2,817. Management income 295 233. Property dealing 480 475. Total income 3,585 3,625. Prop. outgoing and mgmt. expenses 1,201 1,253. Interest payable 415 1,313. Share of assoc. profit 17 9. Profit before tax 1,966 1,029. Taxation 286 240. Net profit 1,280 789. To minorities 5 11. Extraordinary credit 454 1,772. To reserves 454 1,772. Leaving 1,275 778. Loss. † Surplus over book valuation on sales during period.

BOARD MEETINGS

Table with 2 columns: Company Name, Date. Lists various companies and their board meeting dates.

Merchant Investors' 1-year bond

Merchant Investors Assurance Company has announced what is believed to be the first one-year high income bond in recent times. The bond, designed to take advantage of the present high level of interest rates, is a combination of endowment and single premium policies. It offers a net return of 13 per cent to the basic rate taxpayer. The company has also

announced a two-year income bond returning 12.5 per cent net to the basic rate taxpayer. Minimum investment for both is £1,000. Merchant Investors said the principle of the one-year bond was exactly the same as that of two, three and four-year income bonds. In the past, a spokesman explained, Merchant Investors has been able to use the tax advantages of a fledgling company to offer competitive conventional products to its policyholders. But growth has been so rapid that these are no longer available and as a result the new bond has been structured to gain the maximum benefit from the available tax reliefs.

Advertisement for Estates & Agency Holdings Limited. Includes share capital details, company information, and contact addresses for Samuel Montagu & Co. Limited, Hambros Bank Limited, and W. Greenwell & Co.

Advertisement for Teck Corporation and Highmont Mining Corporation. Details the Highmont Project with a \$146,000,000 nine-year project loan for construction of copper/molybdenum mine and mill in the Highland Valley, British Columbia, Canada. Arranged and managed by Project Financing Group and Corporate Accounts Management Group of The First Canadian Bank and Bank of Montreal.

Advertisement for H. Upmann cigars. Features an image of a cigar and text: Havana's favourite Havana since 1844. Sole Importers: 10 Snow Hill, London EC1A 2EB.

Large advertisement for Continental Bank. Features the words 'THEORY' and 'REALITY' in large bold letters. Text: 'A top international bank must offer local coverage as well as world-wide reach.' 'In Europe alone, Continental Bank has a network of 20 offices in 10 countries, linked to major money markets around the world.' 'For years, our European network has provided the Continental banker with the flexibility to meet specific needs from country to country. This link in our worldwide network ensures comprehensive international capabilities. It's what you expect from a top international bank. At Continental Bank, it's reality.' Includes Continental Bank logo and list of countries served: Argentina, Australia, Austria, Bahamas, Bahrain, Belgium, Brazil, Canada, Colombia, France, Greece, Hong Kong, Indonesia, Italy, Japan, Kenya, Korea, Lebanon, Malaysia, Mexico, The Netherlands, The Philippines, Singapore, Spain, Switzerland, Taiwan, Thailand, United Kingdom, United States, Venezuela, West Germany.

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We finance the crop from tea garden to warehouse to auction. We finance the exports.

Our term financing allowed this tea plantation to develop closer spacing of tea plants, boosting the yield per acre.

And we haven't stopped there.

When the tea arrives in England, our bankers in this country finance the imports, the processing, the packaging, and the sale.

Only an established international banking network could handle both ends of this transaction.

Only a bank like American Express Bank could take tea from raw material to finished product.

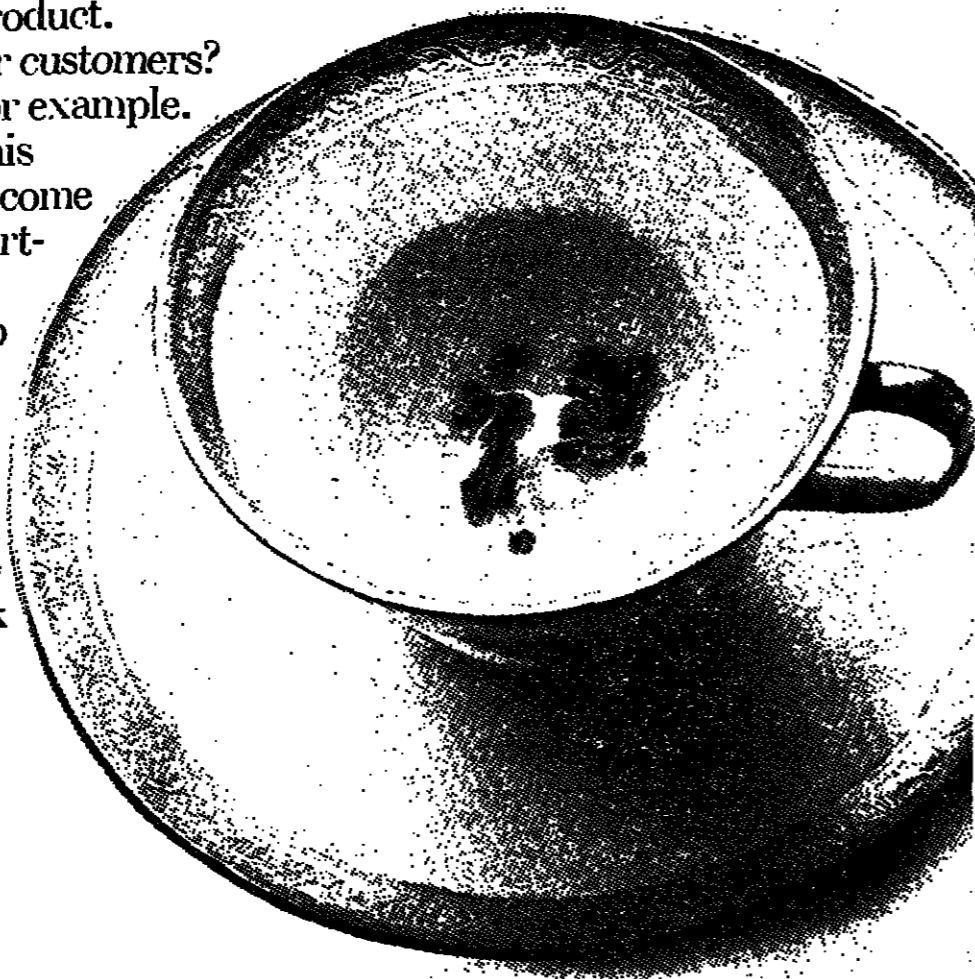
The results for our customers? Take the tea grower, for example.

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THE DOMESTIC trading environment has not been easy for British confectionery manufacturers, least of all the smaller members of the sector such as George Bassett Holdings, the Sheffield-based liquorice allsorts manufacturer.

For 137 years the company, which occupies a secure niche within the sugar confectionery market, has remained an independent entity while others have either fallen or been taken over by larger concerns. Bassett is determined not to go the same way, despite serious setbacks in the past two years.

With the exception of the war years, and the rationing period which followed, consumption has remained virtually static at half a pound of confectionery per head per week—in spite of the radical change towards the eating of more snack foods. Yet many manufacturers, including Bassett, have shown impressive growth rates over this period.

This has been partly due to the industry's determined assault on foreign markets. In 1986, exports totalled 44,000 tons worth £15m but by 1972 they had mushroomed to 148,500 tons worth £216m, giving UK manufacturers about a fifth of the world trade in confectionery.

At home, while demand remained flat, the opportunities for growth came through default. The competitive trading conditions led to a rash of bankruptcies, acquisitions and mergers, leaving fewer companies to share a virtually unchanged cake.

Manufacturers are competing for a home market worth £1.5bn at today's prices, or around 7 per cent of total food expenditure. Demand is spread roughly equally between chocolate confectionery and sugar confectionery although a strong performance by chocolate last year pushed volume sales ahead of the sugar share of the market, mainly as a result of heavy advertising.

Up to now, overseas markets have proved to be the biggest growth area for UK manufacturers but trading conditions have suddenly become much tougher. Exports, which account for more than a fifth of total sales by volume, have slowed dramatically over the past year due to severe competition, especially in the Third World, and the relative strength of sterling.

This inevitably raised the possibility of even further



Mr. W. R. Mills—Bassett's new chairman

rationalisation within the industry, and Bassett has long been rumoured as a takeover favourite.

The company, which also makes gum-based sweets and specialist foods, claims a UK market share of roughly 12 per cent. Last year profits slumped by 53 per cent to £1.3m pre-tax after marking time in the previous 12 months.

The immediate prospects are not too encouraging, especially with industry forecasts suggesting that chocolate will make further inroads into the market this year at the expense of sugar confectionery.

Bassett has already warned that first half profits are not going to show any noticeable improvement on the comparable period's £1.51m pre-tax. However it is optimistic that the full year results will show evidence of restored profitability.

This push for recovery in the current year is the responsibility of the company's new chairman, Mr. W. R. Mills, previously vice-chairman and managing director. His first task is to stem the losses from export markets, which last year clipped around £0.5m off group profits.

Accordingly, prices have been raised in nearly all overseas countries since the beginning of the year. In addition, involving is now being done in sterling while a number of long-term contracts have been renegotiated. Mr. Mills admits this will mean a downturn in export volume but he is confident it will be more than offset by the improvement in margins. At home Bassett has also raised its prices but here, Mr. Mills is not so worried about losing market share.

After the price changes the first job has been to create a new

corporate structure to reflect more fully the company's recent diversification into leisure. Previously, split broadly between manufacture and distribution, with "other activities" lumped into the latter division.

His next job has been to re-group the sales forces. Previously the company's branded confectionery products—Bassett and Wilkinson—were handled by separate sales teams, but Mr. Mills plans to integrate them and create a network of smaller sales areas. The company had found that its distribution coverage to many smaller confectionery retailers was patchy. It now hopes to paper over the gaps and ensure that more retailers are exposed to more of the company's products.

Next, he plans to make the company less dependent on sugar confectionery and on the home market, both of which account for about 80 per cent of group sales.

Of the two the geographical objective will be the more difficult to achieve, especially if export markets continue to show little growth. The company admits that its existing overseas markets are saturated with confectionery products but it notes optimistically, "not with Bassett products."

In other overseas markets, areas such as black Africa, India and Pakistan are difficult to break into because of political constraints while South America is heavily dominated by U.S. manufacturers. China and Russia are obvious possibilities but they are unknown quantities at the moment.

This narrows the choice, leaving Bassett the job of having to concentrate on increasing its share in existing overseas markets.

But it is Bassett's non-confectionery activities, into which the company diversified during 1977/8, that Mr. Mills sees most scope for future growth. In that year it acquired A. A. Hales, a distributor of hobby kits and conventional toys, and then Remus, a play-kits distribution company, from Mars. Later on Bassett bought a 75 per cent stake in S. A. Rouger of Clé, a Normandy-based manufacturer of gâteaux, a French wafer biscuit, and followed it up with the acquisition of Paterson's Scottish shortbread, a biscuit manufacturer, from Booker McConnell. The latest acquisition is 75 per cent stake in Adam Imports, which imports electronic TV games.

Bassett's specialist food companies, which include Purdy Cakes (acquired in 1976), all produce high-margin, premium products, while the toy companies are all distribution businesses with most of their products sold in advance. Although their profits are not identified, it is probable that without their contribution, group earnings for 1978/9 would have been less than £0.8m.

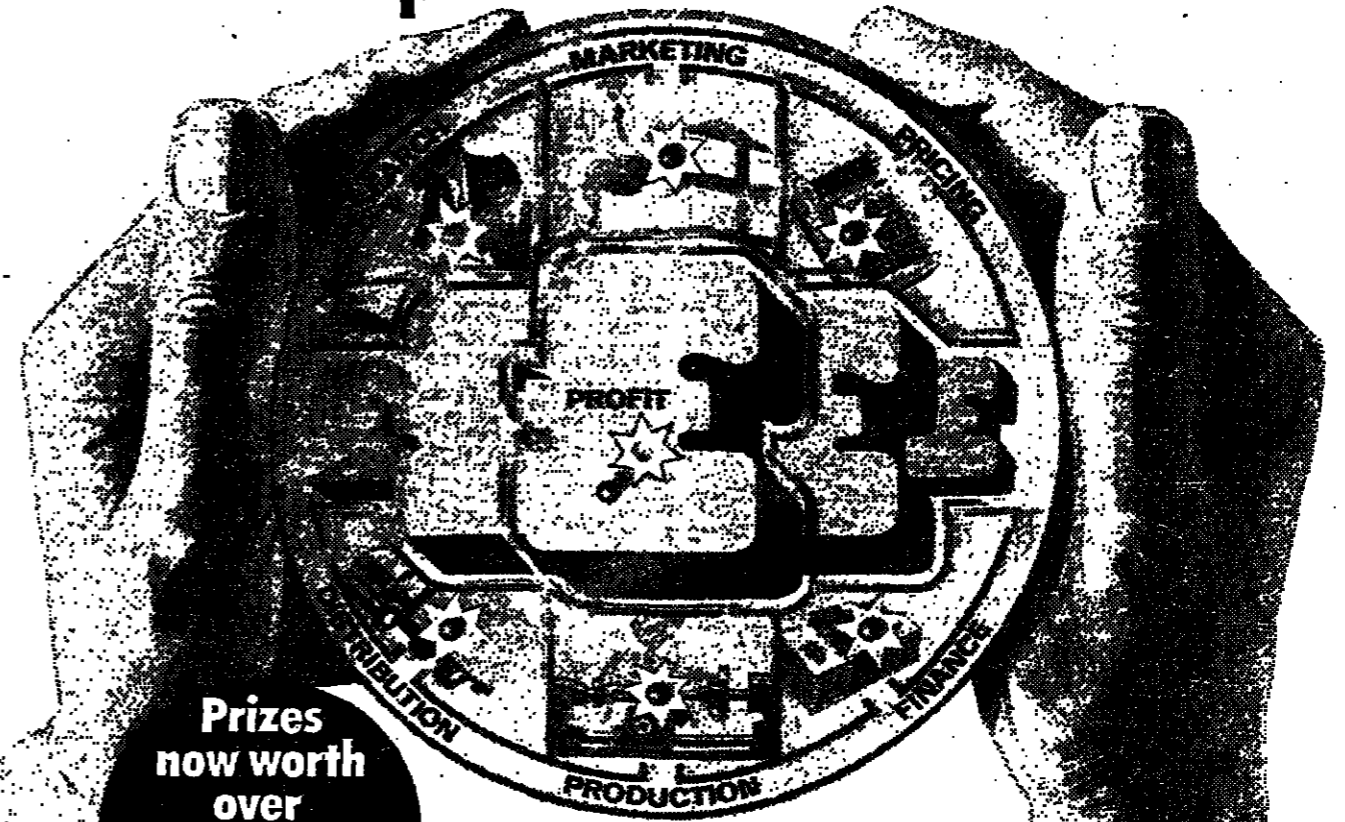
For the moment though, it seems Bassett will have to spend entirely on organic growth. With net borrowings at nearly 50 per cent of shareholders' funds, Mr. Mills will probably want to defer any further acquisitions.

Mr. Mills also plans to follow the lead of his major competitors by increasing sales and advertising promotion. Inside the company he proposes to continue reducing the number of employees by natural wastage and controlled recruitment and to improve consultancy procedures with the unions.

With all these changes Mr. Mills believes the company has the potential for strong and steady growth. "After the recovery, we want to be able to double profits every five years," he says. "This can be done if we can become less dependent on confectionery and the home market by changing the sales emphasis and territorial bias from the present ratio of 80:20 to about 60:40."

The chairman is rather philosophical when he says: "To have a strategy is to hold the initiative." Mr. Mills may hold the initiative, but he still has to prove the wisdom of his strategy.

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INTERNATIONAL COMPANIES and FINANCE

Companies and Markets

NORTH AMERICAN NEWS

RCA has third quarter reverse

By Our Financial Staff
RCA, a leader in the colour TV industry, in broadcasting (through NBC), in vehicle renting (through Hertz) and defence electronics, has suffered a third quarter reverse.

Net earnings declined by 5.7 per cent from \$7.0m or 82 cents a share in the third quarter last year to \$6.6m or 86 cents a share on sales up from \$1.66bn to \$1.83bn.

Record gains at United Technologies

By Our Financial Staff
RECORD SALES and earnings for the third quarter are reported by United Technologies, manufacturer of jet engines, elevators and other products.

At the nine month stage, Technologies now shows earnings 37 per cent higher at \$236.5m, with share earnings at \$4.85 against \$4.11 a share a year ago.

Chase Manhattan earnings boosted by interest income

BY DAVID LASCELLES IN NEW YORK

U.S. BANKS continued to show sharp gains in their third quarter earnings yesterday, thanks to brisk credit demand, although losses on securities transactions eroded operating income.

Petro-Canada 'free' share plan

BY ROBERT GIBBENS IN MONTREAL

MOST OF the profitable assets of the national oil company, Petro-Canada, would be handed back to the private sector by giving free shares to all Canadians, the Government's advisory committee on Petro-Canada's future has recommended.

Advance at CPC International

BY OUR FINANCIAL STAFF

INCREASED SALES and profits are reported by CPC International for the third quarter of 1979, hardening expectations that the consumer and industrial food products company can achieve its eighth consecutive year of rising earnings.

This brought Chase's operating net for the first nine months to \$234.6m or \$4.85, up sharply from \$188.5m or \$4.02 in 1978.

Sound growth at Philip Morris

By Our Financial Staff

STRONG TRADING in the third quarter of this year is reported by Philip Morris, the second largest domestic cigarette company. With nine month earnings at \$3.09 a share, against \$2.55, the company is well on the way to targets of \$4.05 a share predicted for the full year.

Global Marine nearly doubles profits

By Our Financial Staff

GLOBAL MARINE, a U.S. offshore drilling contractor, nearly doubled net earnings to \$4.44m or 85 cents a share in the third quarter against \$1.5m and expects to reach \$3.25 for the year.

Chile offering is casualty of unsettled DM sector

BY FRANCIS GHILS

THE SHARP rise in short term D-mark interest rates is having an unsettling effect on the foreign D-mark bond market. A DM 100m public offering which Dresdner Bank was expected to launch for Chile was cancelled yesterday.

Bache move against takeovers

BY IAN HARGREAVES IN NEW YORK

BACHE, one of the six largest publicly-held U.S. investment brokers, is looking towards Europe for a substantial investment in its stock in a series of moves to strengthen its resistance to possible takeover attempts.

Global Marine nearly doubles profits

By Our Financial Staff

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Chile offering is casualty of unsettled DM sector

The dollar sector was much quieter yesterday. Prices of straight dollar bonds were up about 1/4 of a point on the day following what dealers described as professional trading.

Bache move against takeovers

That it wants a minority investment rather than any attempt at a merger. Its directors have proposed a series of measures for adoption at the group's annual meeting next month.

Global Marine nearly doubles profits

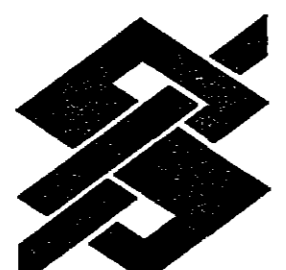
By Our Financial Staff

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FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Table with columns for U.S. DOLLAR, STRAIGHTS, DEUTSCHE MARK, SWISS FRANC, YEN STRAIGHTS, and CONVERTIBLE BONDS. Includes bond names, amounts, and yields.



BANCO DO BRASIL S.A. CONSOLIDATED AND CONDENSED COMPARATIVE STATEMENT OF CONDITION IN MILLIONS OF U.S. DOLLARS

Financial statement table for Banco do Brasil S.A. showing Assets, Liabilities, and Total Assets/Liabilities for five consecutive periods.

FOREIGN NETWORK
London, Paris, Paris-Opera, Hamburg, Frankfurt, Amsterdam, Rotterdam, Milan, Rome, Vienna, Lisbon, Madrid, Stockholm, Zurich, Geneva, Luxembourg, Brussels, New York, San Francisco, Los Angeles, Chicago, Washington, Atlanta, Dallas, Houston, Toronto, Mexico City, Tokyo, Abidjan, Grand Cayman, Panama City, Colon, Buenos Aires, Montevideo, Ciudad Vieja, Paysandu, Rivera, Asuncion, Puerto Presidente Stroessner, Santiago de Chile, Antofagasta, Concepcion, Valparaiso, La Paz, Santa Cruz de la Sierra, Cochabamba, Bogota, Caracas, Lima, Quito, Singapore, Manama-Bahrain, Tehran, Lagos and Sydney.

Companies and Markets INTL. COMPANIES AND FINANCE

Ford to sell French subsidiary

BY TERRY DODSWORTH IN PARIS

A FRENCH SOLUTION has been found to the problems of Richier, the Ford-owned construction machinery company...

for liabilities. The agreement is in effect a reverse take-over. Sambron, a privately-owned company, has a workforce of only 580, while it is taking on four Richier factories...

on the market. But both the French authorities and the French industry were strongly in favour of a deal with either a national or a European company.

separate operation, selling through the Rentimat distribution network, which was also bought from Ford. A certain level of business is assured over the next few years through an additional agreement with Ford...

Boost for Svenska Cellulosa

BY VICTOR KAYPETZ IN STOCKHOLM

A BIG improvement in earnings from forest products and somewhat higher profits from electric power generation are the main factors behind an upward revision by Svenska Cellulosa (SCA) of its 1979 pre-tax profit forecast.

from SKr 198m to SKr 322m. This included SKr 40m in stock gains during January-August 1979, up from SKr 21m.

flow for forest industry machinery from Europe. Earnings will improve for 1979 as a whole, however, SCA predicted.

Decline for Greek cement group

By David Tonge

THE HERACLES General Cement Company, West Europe's largest single cement exporter, reported a 1 per cent decline in profits to Drachmas 349m (\$9.6m) in 1978, despite an 11 per cent increase in sales to Dr 6,073m (\$167m).

Hilti sees profit ahead of target

BY JOHN WICKS IN ZURICH

PROFITS IN EXCESS of original targets are anticipated for 1979 by the Liechtenstein-based manufacturing concern Hilti AG, of Schaan, so long as there is no sudden drop in exchange rates.

company net earnings of SwFr 13.13m (\$8.15m). In a prospectus accompanying the issue of a SwFr 35m bond over 14 years at 4 1/2 per cent, Hilti states that it looks forward to a record turnover of some SwFr 800m (\$497m) for this year, given continuing exchange rate levels.

full use, while a series of new products have been developed and are soon to be introduced. Investment in the U.S., particularly a large-scale production facility at Tulsa and storage capacity in Connecticut, are to be continued, while further new projects are planned for France and Germany.

Earnings drop for Euroc

By Our Stockholm Correspondent

EUROC, THE Swedish building materials and industrial group, has recorded lower eight-month earnings. These are attributable mainly to the severe winter and to the crisis in Iran, which cut delivery volume especially for the cement-making subsidiary Cements and the construction equipment company Dynapac.

Sperry plans increase in European investment

BY ROGER BOYES IN BONN

SPERRY, the U.S. computers, agricultural, navigational and power equipment group, plans to step up its investment in Europe by 10-15 per cent next year, and is particularly anxious to exploit some important gaps in the European computer hardware market.

assets in Europe, and has production facilities in many EEC countries, including Britain, West Germany, France and the Benelux countries. The company clearly wants to improve on the modest net income from its consolidated foreign subsidiaries, which has been creeping up steadily from \$54,313 in 1977 to \$98,178 for the fiscal year ended March, 1978.

MAN confirms link with Burmeister and Wain

BY OUR FINANCIAL STAFF

WEST GERMAN engineer, MAN, confirms that its plans for a link with troubled Danish shipbuilder Burmeister and Wain centre on the formation of a joint venture which will control Burmeister's diesel engineering and marine servicing operations.

much to pay for its 50 per cent stake in the new concern. It will, meanwhile, pay a first undisclosed instalment in the form of a bridging loan.

Siemens to buy Aerotron RALEIGH—Aerotron a maker of mobile radios and telephones and Siemens AG have agreed in principle to the acquisition by Siemens of Aerotron, through a cash merger with U.S. subsidiary of Siemens, for \$8 a common share of Aerotron.

Inter-Pan seeks approval for liquidation

BY OUR ZURICH CORRESPONDENT

INTER-PAN HOLDING is to ask shareholders to approve a liquidation at its annual general meeting on November 13.

shareholding in its trading activities to the BAT group of the UK for \$10m. BAT has an option to acquire the outstanding 49 per cent in 1982.

It would be unrealistic to assume that Juvena's operating surplus would in the coming years be able to offset the exchange-rate income losses of the past two and a half years.

Siemens to buy Aerotron

Assuming full dilution, the transaction is valued at about \$12m, the company said.

Celso da Rocha Miranda, Giovanni Agnelli and what they won for believing in Brazil.



The Visconde de Cairu Assard is an initiative of 'Indice - O Banco de Dados' to honor businessmen who have most contributed to increase economic relations between Brazil and the European Economic Community.

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CURRENCIES, MONEY and GOLD

Dollar rises, pound steady

Conditions in currency markets yesterday lacked any fresh impetus, and the dollar ended to fluctuate in predominantly thin trading. After opening on a softer tack, the U.S. unit started to improve with gains against most major currencies. In terms of the dollar it closed at DM 1.7945 compared with DM 1.7895 and WFr 1.6300 from SwFr 1.6225. The dollar was possibly helped by market sentiment that U.S. interest rates had not yet reached their peak and by reaffirmation by Mr. Paul Volcker, Federal Reserve chairman, of his authorities' firm resolve to maintain a tight grip of money supply.

THE DOLLAR SPOT AND FORWARD

Table with columns: Day's spread, Close, One month, % Three months, % Six months. Lists various currencies like UK, Canada, Ireland, etc.

THE POUND SPOT AND FORWARD

Table with columns: Day's spread, Close, One month, % Three months, % Six months. Lists currencies like U.S., Canada, Ireland, etc.

CURRENCY RATES

Table with columns: Oct. 15, Bank of England, Morgan Stanley, etc. Lists various currencies and their rates.

CURRENCY MOVEMENTS

Table with columns: Oct. 15, Bank of England, Morgan Stanley, etc. Lists currency movements and percentages.

OTHER MARKETS

Table with columns: Oct. 15, Note Rates. Lists various market rates and prices.

WORLD VALUE OF THE POUND

The table below gives the latest available rates of exchange for the pound against various currencies on October 15, 1979. In some cases rates are nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied. Exchange in the UK and most of the countries listed is officially controlled and the rates shown should not be taken as being applicable to any particular transaction without reference to an authorised dealer.

Large table with columns: PLACE AND LOCAL UNIT, VALUE OF £ STERLING. Lists numerous countries and their exchange rates.

EUROPEAN CURRENCY UNIT RATES

Table with columns: Currency, % change from Oct 15, % change from Oct 10, % change from Oct 5. Lists various European currencies.

EXCHANGE CROSS RATES

Table with columns: Oct. 15, Pound Sterling, U.S. Dollar, etc. Lists cross rates between major currencies.

EURO-CURRENCY INTEREST RATES

Table with columns: Oct. 15, Sterling, U.S. Dollar, etc. Lists interest rates for various currencies.

INTERNATIONAL MONEY MARKET

European rates steady

European short-term interest rates showed little change yesterday, although longer-term rates were firmer, while the dollar was steady. The pound was unchanged at 11 1/2 per cent. One-month funds are unchanged at 11 1/2 per cent. Three-month funds are unchanged at 12 1/2 per cent. Six-month funds are unchanged at 13 1/2 per cent. Twelve-month funds are unchanged at 14 1/2 per cent.

GOLD

Slight rise

Gold traded very quietly in the London bullion market yesterday, and rose just 84 pence to \$399.402. There appeared to be very little interest in the market in comparison with recent weeks, and the metal traded within a fairly narrow range.

UK MONEY MARKET

Large help

Bank of England Minimum Lending Rate 14 per cent (since June 12, 1979). Revenue payments to the Treasury exceeded outlays yesterday, with a surplus of £1.2 billion.

AMSTERDAM

Call money is at 9 1/2 per cent. One-month funds are at 10 1/2 per cent. Three-month funds are at 11 1/2 per cent. Six-month funds are at 12 1/2 per cent. Twelve-month funds are at 13 1/2 per cent.

BRUSSELS

One-month funds are at 10 1/2 per cent. Three-month funds are at 11 1/2 per cent. Six-month funds are at 12 1/2 per cent. Twelve-month funds are at 13 1/2 per cent.

Worldwide buying power. Welcomed in more than a million places all over the world. The accepted name for money. Worldwide.

Catch the Miami sun daily. National's service to Miami departs from Heathrow at 11.15 a.m. every day, arriving in the Florida sun at 15.25. You'll step straight out into National's own terminal where our own US customs staff will speed you through.

Fresh Wall St. fan of 7.25 at mid-session

INVESTMENT DOLLAR... CONTINUING THE downward course that several reduced prices last week, Wall Street stocks moved broadly lower yesterday morning in fairly active trading.

The Dow Jones Industrial Average, after sustaining a sharp setback last week of 53 points, declined 7.25 further to 581.74 at this edition.

1 pm. The NYSE All Common Index retreated 45 cents more to 585.84, while falls outpaced gains in issues by a four-to-one margin.

Analysts said the selling could continue for some time, although probably at a reduced pace, until investors see some positive results emerging from the new tight credit policies.

However, they added that the weakness could also be punctuated by occasional technical rallies.

A number of major corporations reported lower third-quarter profits, contributing to the general weakness.

Motorists were mostly lower. Ford Motor, off 1/4 at \$39 1/2, and General Motors, down 1/2 at \$60 1/2, reported lower early October sales.

American Motors, which is to receive an infusion of \$150m from Renault in return for an equity stake, shed 1/2 to \$8 1/2.

It has again asked the United Auto Workers to forego wage and fringe benefit rises.

run into legal difficulties over U.S. liquor laws.

THE AMERICAN SE Market Value Index receded 1.32 to 211.49 at 1 pm on volume of 2.36m shares.

Among the actives, Syntex lost 1/2 to \$32 1/2, Resorts International "A" to \$27 1/2, Houston Oil 1/2 to \$18 and Gulf Canada 1/2 to \$80 1/2.

Silo rose 1/2 to \$20 1/2. Cyclops has agreed in principle to buy Silo for \$2 1/2 a share.

Heinicke Instruments added 1/2 to \$8 1/2. A German investor raised his stake in Heinicke last week.

Volume leader Dome Petroleum rose 3/4 to \$4 1/2.

Shares were inclined to continue last week's retreat in further active early dealings yesterday.

The Toronto Composite Index fell back 14.2 more to 1,600.7 at mid-day, while the Metals and Minerals Index lost 18.9 to 1,495.1.

In over-the-counter, Utilities declined 1.55 to 236.71, Banks 0.77 to 294.31 and Papers 0.58 to 168.96.

Electric Y13 to Y899 and Nippon Oil Y21 to Y23.

Among Trading Houses, C. Itoh moved ahead Y21 to Y533, while Mitsui, on speculation that its crude oil purchases from Iran will increase, gained Y25 more to Y495.

News that freight charges have been rising steadily since last September gave an uplift to Shipping stocks.

Germany Bourse prices mostly declined in trading with the fresh weakening last Friday on Wall Street and speculation of further oil shortages or price increases depressing sentiment.

The Nikkei-Dow Jones Average recouped 51.41 more to 5,528.58 and the Tokyo SE index closed 2.81 higher at 455.34.

There was a fair turnover of about 300m shares on the First Market section, against Saturday's half-day session total of 250m and last Friday's full-day volume of 340m.

Seoy advanced Y30 to Y1,700, TDK Electronic Y40 to Y1,700, Canon Y16 to Y570, Fuji Photo Film Y21 to Y225, Matsushita

Among Oils, Gulf Canada lost 1/2 to \$20 1/2, Texas Canada CS1 to CS20 and Occelot "B" CS1 to CS28 1/2.

Tokyo The market continued to recover strongly from last Thursday's sharp setback, with investors actively buying medium-sized Blue Chips and Trading House issues.

Indices

NEW YORK - DOW JONES table with columns for Oct 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, 1979, High, Low, High, Low.

STANDARD AND POORS table with columns for Oct 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, 1979, High, Low, High, Low.

JOHANNESBURG table with columns for Oct 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, 1979, High, Low, High, Low.

FRIDAYS ACTIVE STOCKS table with columns for Stock, Price, Change.

OSLO table with columns for Stock, Price, Change.

JOHANNESBURG table with columns for Stock, Price, Change.

PARIS table with columns for Stock, Price, Change.

SWITZERLAND table with columns for Stock, Price, Change.

VIENNA table with columns for Stock, Price, Change.

MILAN table with columns for Stock, Price, Change.

BRASIL table with columns for Stock, Price, Change.

NEW YORK Stock table with columns for Stock, Oct 12, Oct 11, Oct 10, Oct 9, Oct 8, Oct 7, Oct 6, Oct 5, Oct 4, Oct 3, Oct 2, Oct 1, 1979, High, Low, High, Low.

CANADA Stock table with columns for Stock, Oct 12, Oct 11, Oct 10, Oct 9, Oct 8, Oct 7, Oct 6, Oct 5, Oct 4, Oct 3, Oct 2, Oct 1, 1979, High, Low, High, Low.

TOKYO Stock table with columns for Stock, Oct 15, Oct 14, Oct 13, Oct 12, Oct 11, Oct 10, Oct 9, Oct 8, Oct 7, Oct 6, Oct 5, Oct 4, Oct 3, Oct 2, Oct 1, 1979, High, Low, High, Low.

STOCKHOLM table with columns for Stock, Price, Change.

COMMODITIES AND AGRICULTURE

Companies and Markets

Renewed rise in sugar

RENEWED TRADE and speculative buying based mainly on rumours that China had purchased 50-60,000 tonnes of raws boosted world sugar values sharply yesterday.

Wool stocks down again

MELBOURNE — Australian Wool Corporation (AWC) stocks fell further to about 231,000 bales at the end of September.

West German cocoa demand

WEST GERMAN cocoa bean grindings during the third quarter of this year totalled 30,837 tonnes, up 0.1 per cent from 30,308 tonnes a year earlier.

World copper surplus forecast next year

BY JOHN EDWARDS, COMMODITIES EDITOR

A SURPLUS of copper production over demand next year and in 1981 — and consequently lower prices — is forecast in the latest issue of Copper Trends, issued yesterday by Amalgamated Metal Trading.

7.45m tonnes compared with 7.29m tonnes in 1978. However, production is forecast to continue increasing whereas demand is expected to fall back sharply.

by 4 per cent above the 1979 total of 3.93m tonnes and exceed demand by 75,000 tonnes.

Soviet crop forecast cut again

WASHINGTON — The U.S. Agriculture Department has lowered its estimate of total 1979 USSR grain production to 175m tonnes from 180m forecast a month ago.

Europe benefits from UK plywood quota

BY OUR OWN CORRESPONDENT

DURING 1978 a new and baffling trend first appeared in the UK's plywood statistics — it became an exporter of plywood on quite a large scale.

exhausted within a few weeks of the beginning of each year. The UK's duty-free quota, in round figures, opened at 130,000 cubic metres in 1974 and has been increased gradually to 251,000 cubic metres this year.

The main sources of GSP plywood for the UK are Malaysia, Singapore, the Philippines, Korea, Indonesia and Brazil and from 1971 to 1978 UK imports from those countries combined increased nearly four times to 424,000 cubic metres or 40 per cent of total imports.

French turn away lamb shipment

BY CHRISTOPHER PARKES

A TRIAL consignment of British lamb refused entry into France at the weekend was shipped back home yesterday to a well-orchestrated outburst of indignation and calls for retaliation from the National Farmers' Union.

Insects damage Pakistani cotton

KARACHI — Pakistan's cotton output may not reach its estimated level of 3.6m bales this year because of extensive damage to standing crops by insects in several districts of Punjab province, official sources said.

Indian tea tax cut

By Our Own Correspondent

CALCUTTA — In order to attract more tea to the Calcutta and Siliguri auctions and to rationalise the tax structure on tea sales, the West Bengal Government reduced sales tax from 3 per cent to 1 per cent on tea bought at Calcutta centre, with effect from October 9.

Insights into the world

WASHINGTON — The U.S. Agriculture Department has lowered its estimate of total 1979 USSR grain production to 175m tonnes from 180m forecast a month ago.

Growers urged to process rubber

KUALA LUMPUR — Mr. Paul Leong, Malaysian Primary Industries Minister, has urged rubber producers to consider integrating and becoming rubber manufacturers.

AMERICAN MARKETS

NEW YORK, October 15. WHILE SILVER was able to record a moderate gain, gold prices finished fractionally lower in a two-way market.

EUROPEAN MARKETS

ROTTERDAM, October 15. WHEAT — U.S. No. 2 Dark Hard Winter, 13.5 per cent, 192.00.

BRITISH COMMODITY MARKETS

BASE METALS

COPPER — Nervousness on the London Metal Exchange with forward metal initially trading between £370 and £380 and then advancing to £386 on concern about Zambian supplies, trade buying and a good copper opening.

COCOA

The London market opened quiet, only a few contracts were done.

PRICE CHANGES

In tonnes unless otherwise stated.

Table with columns: Commodity, Price, Change, Date. Includes items like Tin, Zinc, Lead, etc.

INDICES

FINANCIAL TIMES

Table with columns: Index Name, Current Value, Change, Date. Includes Dow Jones, FT 100, etc.

INSURANCE BASE RATES

Property Growth 131% Vanbrugh Guaranteed 121% Address shown under Insurance and Property Bond Table

COFFEE

Robustas opened £20 to £30 down and had little volume over the morning with good volume and switches being traded in the near.

SOYABEAN MEAL

The market opened with small losses following the USDA forecast of record soyabean crop.

WHEAT

London grain futures — The market opened 10 lower and moved steadily lower with follow-through selling from country sources.

ART GALLERIES

MALL GALLERIES, The Mall, S.W.1. ROYAL INSTITUTE OF OIL PAINTERS, 15, Pall Mall, S.W.1. MARINE ARTISTS, Royal Society of Marine Artists, 15, Pall Mall, S.W.1.

GRAINS

LONDON GRAIN FUTURES — The market opened 10 lower and moved steadily lower with follow-through selling from country sources.

SUGAR

LONDON DAILY PRICE (raw sugar): 513.00 (£130.00) a tonne off Oct. 15.

WOOL FUTURES

LONDON GREASY — In order buyer, 218.00, 228.00, 238.00, 248.00.

COTTON

Spot and shipment sales in Liverpool amounted to 177 bales.

NICKEL

Spot: 820.00 +0.50 820.50 3 months: 773.00 +0.50 773.50

WHEAT

Business done—Wheat: Nov. 55.50, Dec. 55.00, Jan. 54.50, Feb. 54.00, Mar. 53.50, Apr. 53.00, May 52.50, Jun. 52.00, Jul. 51.50, Aug. 51.00, Sep. 50.50, Oct. 50.00.

WOOL FUTURES

NEW ZEALAND CROSSBREDS — In order buyer, 51.00, 52.00, 53.00, 54.00.

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WHEAT

Business done—Wheat: Nov. 55.50, Dec. 55.00, Jan. 54.50, Feb. 54.00, Mar. 53.50, Apr. 53.00, May 52.50, Jun. 52.00, Jul. 51.50, Aug. 51.00, Sep. 50.50, Oct. 50.00.

SUGAR

Business done—Sugar: Nov. 513.00, Dec. 512.00, Jan. 511.00, Feb. 510.00, Mar. 509.00, Apr. 508.00, May 507.00, Jun. 506.00, Jul. 505.00, Aug. 504.00, Sep. 503.00, Oct. 502.00.

WOOL FUTURES

NEW ZEALAND CROSSBREDS — In order buyer, 51.00, 52.00, 53.00, 54.00.

LONDON COMMODITY CHARTS

Table with columns: Commodity, Price, Change, Date. Includes items like Gold, Silver, Tin, Zinc, Lead, etc.

WHEAT

Business done—Wheat: Nov. 55.50, Dec. 55.00, Jan. 54.50, Feb. 54.00, Mar. 53.50, Apr. 53.00, May 52.50, Jun. 52.00, Jul. 51.50, Aug. 51.00, Sep. 50.50, Oct. 50.00.

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WOOL FUTURES

NEW ZEALAND CROSSBREDS — In order buyer, 51.00, 52.00, 53.00, 54.00.

LONDON COMMODITY CHARTS

Daily High/Low close charts. Please send me details updated to Friday's close. Name \_\_\_\_\_ with 5/10/20 day moving averages. Address \_\_\_\_\_

WHEAT

Business done—Wheat: Nov. 55.50, Dec. 55.00, Jan. 54.50, Feb. 54.00, Mar. 53.50, Apr. 53.00, May 52.50, Jun. 52.00, Jul. 51.50, Aug. 51.00, Sep. 50.50, Oct. 50.00.

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LONDON COMMODITY CHARTS

Daily High/Low close charts. Please send me details updated to Friday's close. Name \_\_\_\_\_ with 5/10/20 day moving averages. Address \_\_\_\_\_

LONDON STOCK EXCHANGE

BP speculation intensifies and equities weaken late Return of interest rate worries lower Gilts sharply

Account Dealing Dates Option First Declara- Last Account Dealings Ends Dealings Day Sep. 24 Oct. 4 Oct. 5 Oct. 15 Oct. 18 Oct. 19 Oct. 29 Oct. 22 Nov. 1 Nov. 2 Nov. 12

Uncertainty ahead of this week's batch of economic indicators. In particular, today's announcement of the trade returns for September which will be followed by the mid-September money supply statistics on Thursday, made for an extremely cautious start to the second-leg of the current trading Account in stock markets yesterday.

Among the noteworthy industrial sectors, Oil shares sustained some fairly sizeable losses on fears related to the British Petroleum issue, while interest rate anxieties were reflected in widely lower Properties. In contrast, Gold mining shares staged a recovery in line with a rise in the price of bullion, but the final rises were small. The Gold mines index rallied 1.8 to 221.1 after having fallen 17.8 over the previous two trading days.

Widespread firmness in Chinese bonds was attributed to demand based on a combination of revived debt repayment hopes and the bonds' rarity value. The 5 per cent 1912 were outstanding with a fresh rise of 4 points to £42, while the identical coupon 1913 issue gained 3½ points to £23½.

Smith St. Aubyn hardened 2 to 85p, the latter ahead of tomorrow's interim results. Cater Ryder, on the other hand, dipped 5 to 338p and Gerard and National relinquished 2 to 254p.

Minet, at 109p, recovered 6 more of the fall, which followed recently disappointing first-half results. Elsewhere in insurances, Willis Faber gained 3 to 230p; it was announced yesterday that the company have formed an oil and gas division, providing oil and drilling contractor insurances.

150p. Thomas Locker firmed a penny to 164p in response to Press mention, but Stavley met selling and gave up 8 to 232p.

Although the majority of Food issues traded easier, selling was light. J. Sainsbury eased 5 to 310p and Associated Dairies up 2 to 270p. Elsewhere, Spillers shed 2 to 464p; Dalgety, also a couple of pence cheaper at 282p, now hold 82.7 per cent of the former's share capital.

ever, provided isolated firm features, including Rolls-Royce, 1 up at 67½p, and T. Cowie, similarly higher at 48p. Dutton-Forsyth hardened 1½ to 76p in unconfirmed reports that Lomax have agreed takeover terms in Components, Dowsy gave up 3 to 306p and Zenith Carburettor fell a like amount to 75p, the latter mirroring Friday's first-half loss.

Press reports that S. Pearson may again bid for Pearson Longman lifted the latter 9 to 215p. Elsewhere among Paper/Print issues, however, an earlier trend noted although little selling was reported. International Thomson fell 5 more to 373p awaiting news of the talks at The Times, while London and Provincial Foster gave up 5 to 305p; on further consideration of last Friday's interim results, Osley Printing added a penny to 58p ahead of today's first-half statement. Improved hopes of a breakthrough in the ITV dispute again lifted Granada and British Satellite touched 135p at one stage but retreated to end a net 3 lower at 130p.

The strengthening belief that interest rates will hold their level, however, perhaps for the rest of the year, unsettled Properties. Leading issues succumbed to persistent small selling and Land Securities finished 6 cheaper at 299p, after 280p. MEPS shed 4 to 185p. Haslemere became vulnerable and fell 3 to 304p, while Stock Exchange, 388p, and Slough Estates, 109p, gave up 4 and 5 respectively. The higher half-yearly profits from Berkeley Hambray matched expectations, but the prevailing dull trend left the shares a couple of pence cheaper at 206p. Greycoat Estates, however, firmed 3 to 121p in response to weekend newspaper comment.

NP nervous Late rumours that details of the Government's proposed sale of part of its holding may be released soon in British Petroleum left the price 12 down at 352p. Shell shed 8 to 346p in copper prices, but trading was limited. Selection Trust were 4 easier at 546p. South African Financials saw mainly narrow movements, affected by the same caution that spread over the gold share market.

FINANCIAL TIMES STOCK INDICES Table with columns: Index, Oct. 15, Oct. 16, Oct. 17, Oct. 18, Oct. 19, Oct. 20, A year ago

HIGHS AND LOWS S.E. ACTIVITY Table with columns: Index, High, Low, S.E. Activity

DEALING DATES Table with columns: First Last, For Decal- Deal- Decla- Settling- Settlement

ACTIVE STOCKS Table with columns: Stock, Denomina- tion, Closing price, Change, 1979, 1978

LONDON TRADED OPTIONS Table with columns: Option, Ex'cise, Closing price, Vol., Closing offer, Vol., Closing bid, Vol., Equity close

EUROPEAN OPTIONS EXCHANGE Table with columns: Series, Vol., Last, Vol., Last, Vol., Last, Stock

Stores dull Late publication of the September retail sales figures had little impact on the quietly dull Store leaders.

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Riotine were 2 down at 205p, and BR South, subject of rival bids from CRA and Western Mining were 4 easier at 180p.

NEW HIGHS AND LOWS FOR 1979 Table with columns: New Highs, New Lows

RECENT ISSUES Table with columns: Issue, Price, Date, Stock

FIXED INTEREST STOCKS Table with columns: Issue, Price, Date, Stock

RISES AND FALLS YESTERDAY Table with columns: British, Foreign, Industrial, etc.

FIXED INTEREST STOCKS Table with columns: Issue, Price, Date, Stock

FIXED INTEREST STOCKS Table with columns: Issue, Price, Date, Stock

FT-ACTUARIES SHARE INDICES

Table with columns: EQUITY GROUPS & SUB-SECTIONS, Mon., Oct. 15, 1979, Fri., Oct. 12, etc.

THE KOREA DEVELOPMENT BANK 3 1/2% GUARANTEED BONDS DUE 1st NOVEMBER, 1979

"RIGHTS" OFFERS Table with columns: Issue, Price, Date, Stock

FIXED INTEREST PRICE-INDICES Table with columns: British Government, Mon., Oct. 15, 1979, etc.



AUTHORISED UNIT TRUSTS

Table listing various authorized unit trusts with columns for fund name, manager, and other details.

INSURANCE & PROPERTY FUNDS

Table listing insurance and property funds with columns for fund name, manager, and other details.

OFFSHORE & O'SEAS FUNDS

Table listing offshore and overseas funds with columns for fund name, manager, and other details.

OFFSHORE & O'SEAS FUNDS

Table listing offshore and overseas funds with columns for fund name, manager, and other details.

NOTES: Please refer to the notes on page 32 for details on the units and shares of the funds listed in this section.

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# FT SHARE INFORMATION SERVICE

### BRITISH FUNDS

Table listing British funds with columns for Fund Name, Stock Price, Dividend Yield, and other metrics. Sub-sections include 'Shorts' (Lives up to Five Years), 'Five to Fifteen Years', 'Over Fifteen Years', and 'Undated'.

### FOREIGN BONDS & RAILS

Table listing foreign bonds and rails with columns for Stock Name, Price, and other details.

### AMERICANS

Table listing American stocks with columns for Stock Name, Price, and other details.

### BANKS & HP—Continued

Table listing banks and hire purchase companies with columns for Stock Name, Price, and other details.

### BEERS, WINES AND SPIRITS

Table listing beer, wine, and spirit companies with columns for Stock Name, Price, and other details.

### BUILDING INDUSTRY, TIMBER AND ROADS

Table listing building, timber, and road companies with columns for Stock Name, Price, and other details.

### BANKS AND HIRE PURCHASE

Table listing banks and hire purchase companies with columns for Stock Name, Price, and other details.

### CHEMICALS, PLASTICS—Cont.

Table listing chemical and plastic companies with columns for Stock Name, Price, and other details.

### DRAPERY AND STORES

Table listing drapery and store companies with columns for Stock Name, Price, and other details.

### ELECTRICALS

Table listing electrical companies with columns for Stock Name, Price, and other details.

### ENGINEERING—Continued

Table listing engineering companies with columns for Stock Name, Price, and other details.

Table listing food and grocery companies with columns for Stock Name, Price, and other details.

### HOTELS AND CATERERS

Table listing hotels and caterers with columns for Stock Name, Price, and other details.

### INDUSTRIALS (Miscel.)

Table listing miscellaneous industrial companies with columns for Stock Name, Price, and other details.

Financial Times logo and contact information including London and Frankfurt offices, editorial offices, advertisement offices, and subscription information.

### CHEMICALS, PLASTICS

Table listing chemical and plastic companies with columns for Stock Name, Price, and other details.

### ENGINEERING MACHINE TOOLS

Table listing engineering machine tool companies with columns for Stock Name, Price, and other details.

### FOOD, GROCERIES, ETC.

Table listing food and grocery companies with columns for Stock Name, Price, and other details.

Arabic calligraphy at the bottom right of the page.

INDUSTRIALS—Continued

Table of industrial stocks including companies like British Airways, British Petroleum, and various manufacturing firms. Columns include stock name, price, and change.

INSURANCE—Continued

Table of insurance companies such as British Overseas Airways, British Petroleum, and various insurance providers.

PROPERTY—Continued

Table of property-related stocks and companies, including various real estate and construction firms.

INVESTMENT TRUSTS—Cont.

Table of investment trusts, including various funds and trusts offering different asset classes.

FINANCE, LAND—Continued

Table of finance and land-related stocks, including banks, insurance companies, and landowners.

NOMURA The Nomura Securities Co., Ltd. London Office: 100, Old Broad Street, London EC2A 3DF. Includes contact information and services offered.

MINES—Continued AUSTRALIAN

Table of Australian mining stocks, including companies like Anglo-Australian, BHP, and various regional miners.

TINS

Table of tin-related stocks and commodities, including various tin mining and processing companies.

COPPER

Table of copper-related stocks and commodities, including various copper mining and processing companies.

MISCELLANEOUS

Table of miscellaneous stocks and commodities, including various international and specialty shares.

TEAS

Table of tea-related stocks and commodities, including various tea trading and processing companies.

INDIA AND BANGLADESH

Table of stocks from India and Bangladesh, including various companies from these regions.

AFRICA

Table of African stocks, including various companies from different African countries.

CENTRAL RAND

Table of Central Rand stocks, including various mining and industrial companies in the region.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks, including companies like Rover, Jaguar, and aircraft manufacturers.

Commercial Vehicles

Table of commercial vehicle stocks, including companies like Leyland, Daimler, and other heavy transport firms.

Components

Table of component stocks, including various parts and accessories manufacturers.

Garages and Distributors

Table of garage and distributor stocks, including companies that sell and service vehicles.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publishing stocks, including companies like News International and other media firms.

PAPER, PRINTING

Table of paper and printing stocks, including companies involved in paper production and printing services.

SHIPPING

Table of shipping stocks, including companies like P&O, Cunard, and other maritime firms.

SHOES AND LEATHER

Table of shoes and leather stocks, including various footwear and leather goods manufacturers.

SOUTH AFRICANS

Table of South African stocks, including various companies from South Africa.

TEXTILES

Table of textile stocks, including various clothing and fabric manufacturers.

TOBACCO

Table of tobacco stocks, including various tobacco companies.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks, including various investment and real estate trusts.

PROPERTY

Table of property stocks, including various real estate and construction companies.

INSURANCE

Table of insurance stocks, including various insurance companies.

NOTES: Unless otherwise indicated, prices and net dividends are in pence and denominated in £. Estimated price/earnings ratios and cover ratios are based on latest annual reports and accounts, and where possible, are based on half-yearly figures. P/E ratios are calculated on the basis of net dividend per share divided by the current share price, or where different, the latest available price. Dividend cover ratios are based on the ratio of net dividend per share to the current share price. Dividend cover ratios are based on the ratio of net dividend per share to the current share price. Dividend cover ratios are based on the ratio of net dividend per share to the current share price.

REGIONAL MARKETS

Table of regional market data, including stock indices and performance for various regions.

OPTIONS 3-month Call Rates

Table of 3-month call option rates, including various call option contracts and their prices.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks, including various mining and trading companies.

FINANCE

Table of finance stocks, including various banks, insurance companies, and financial services firms.

